

object to anything else being taken up by unanimous consent until after that shall be disposed of.

TARIFF DUTIES ON WOOL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11019) to reduce the duties on wool and manufactures of wool.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Nevada [Mr. NEWLANDS].

Mr. NEWLANDS. I do not ask for the consideration of the amendment now.

The VICE PRESIDENT. Then, suppose the Senator present it for printing, without offering it.

Mr. SMOOT. And let it lie on the table.

The VICE PRESIDENT. To be offered at some future time.

Mr. NEWLANDS. Very well.

The VICE PRESIDENT. The amendment will be considered as presented and ordered printed, to be offered at some future time.

CLAIMS FOR LOSS OF PROPERTY.

Mr. WARREN. Mr. President, I ask unanimous consent for the present consideration of the bill (S. 323) for the payment of certain claims for damages to and loss of private property. The bill was reported this morning by the Senator from Pennsylvania [Mr. OLIVER]. It is a short measure, and one that has passed the Senate at a former session.

The VICE PRESIDENT. The bill referred to by the Senator from Wyoming will be read for the information of the Senate.

The Secretary read the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. CHAMBERLAIN. Mr. President, I should like to know something about the nature of the claims.

Mr. WARREN. The bill covers about 200 claims for damages that have occurred at maneuver grounds and target ranges due to the heavy gun firing of the Army in the last two or three years. The amount has been regularly estimated for. The matter came up at the last session, and a similar bill then passed the Senate without objection. It also passed the Senate again as a part of the deficiency bill, but was lost in conference. It now comes before us with a favorable report of the Committee on Claims.

Mr. SMOOT. Is it recommended by the department?

Mr. WARREN. Yes. It provides for the payment of claims growing out of the destruction or partial destruction of buildings, the breakage of windows, the trampling down of growing crops, the killing of chickens and cows, and so forth, all the way from down near Cape Cod across the country to Puget Sound, San Francisco, and other places, where damage has occurred because of heavy practice firing by the Coast Artillery or the mobile Army. All the claims have been submitted to an Army board of survey; all have been trimmed down or allowed in full, as the facts in the case might warrant, and are recommended for payment by the War Department and Treasury Department, but can not be paid until we provide the necessary appropriation.

Mr. SMOOT. Mr. President, I merely want to ask one question: Would granting unanimous consent for the consideration of this bill displace the unfinished business?

The VICE PRESIDENT. It would not.

Mr. SMOOT. Then I have no objection to the consideration of the bill.

Mr. WARREN. I will say to the Senator that I had no intention of displacing the unfinished business in asking for the consideration of the bill.

Mr. SMOOT. I know the Senator had no such intention. I merely wanted to understand the effect of agreeing to the Senator's request.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, on page 1, line 9, after the word "Islands," to insert "Great Britain, Norway, and Japan," so as to make the bill read:

Be it enacted, etc., That there be, and is hereby, appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25,535.22 for payment of 200 approved claims for damages to and loss of private property belonging to citizens of the United States, Hawaii, and the Philippine Islands, Great Britain, Norway, and Japan that have arisen previous to February 21, 1911, estimated for in House Documents Nos. 1242 and 1404, Sixty-first Congress, third session.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION.

Mr. SMOOT. I am informed that no Senator wishes to proceed with the discussion of the unfinished business. Therefore, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 2 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, July 26, 1911, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate July 25, 1911.

COLLECTOR OF CUSTOMS.

C. Asa Francis to be collector of customs for the district of Perth Amboy, in the State of New Jersey.

PROMOTIONS IN THE NAVY.

The following-named commanders to be captains in the Navy from the 1st day of July, 1911, to fill vacancies:

Joseph L. Jayne, and

William L. Howard.

Commander Robert B. Higgins, an additional number in grade, to be a captain.

Commander Charles W. Dyson, an additional number in grade, to be a captain.

Ensign (Junior Grade) George S. Bryan to be a lieutenant.

Passed Asst. Surg. Joseph P. Traynor to be a surgeon.

POSTMASTERS.

IOWA.

Thomas M. Atherton, Osage.

Benjamin F. Paul, Blairstown.

NORTH DAKOTA.

George E. Childs, Kenmare.

WISCONSIN.

Frank A. Everhard, Ripon.

WYOMING.

Henry D. Ashley, Encampment.

SENATE.

WEDNESDAY, July 26, 1911.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The Journal of yesterday's proceedings was read and approved.

ENROLLED BILLS SIGNED.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 4412. An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes; and

H. R. 12312. An act to amend paragraph 500 of the act approved, August 5, 1900, entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes."

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a petition of Local Chapter, American Woman's League, of Tacoma, State of Washington, praying for an investigation of the United States Post Office and the E. G. Lewis cases, St. Louis, Mo., which was referred to the Committee on Post Offices and Post Roads.

He also presented the memorial of Joseph D. Holmes, of New York City, N. Y., remonstrating against a revision of the woolen schedule of the tariff law at the present session, which was ordered to lie on the table.

Mr. KERN presented a petition of the Religious Society of Friends of Indiana, praying for the ratification of treaties of arbitration between the United States, England, France, and Germany, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES.

Mr. NELSON, from the Committee on Public Lands, to which was referred the bill (S. 3069) to amend section 1 of an act of Congress approved May 20, 1908, the same being chapter 181 of the Acts of Congress for the year 1908, reported it with an amendment and submitted a report (No. 109) thereon.

Mr. WARREN. I am directed by the Committee on Appropriations, to which was referred the joint resolution (H. J. Res. 130) making appropriations for certain expenses of the House of Representatives incident to the first session of the Sixty-second Congress, to report it with amendments and submit a report (No. 112) thereon. I desire to give notice that I shall endeavor to call up the bill for consideration to-morrow or the next day.

The VICE PRESIDENT. The bill will be placed on the calendar.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CRANE:

A bill (S. 3105) granting an increase of pension to George Choron; to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 3106) granting an increase of pension to William Starry; and

A bill (S. 3107) granting an increase of pension to Sue B. Merrill; to the Committee on Pensions.

By Mr. SHIVELY:

A bill (S. 3108) for the relief of George W. Philpott; to the Committee on Military Affairs.

A bill (S. 3109) granting an increase of pension to David Poffenbarger; to the Committee on Pensions.

By Mr. GRONNA:

A bill (S. 3110) to amend section 1 of the act of Congress of June 22, 1910, entitled "An act to provide for agricultural entries on coal lands"; to the Committee on Public Lands.

By Mr. KERN:

A bill (S. 3111) granting an increase of pension to William Willis (with accompanying paper); to the Committee on Pensions.

DEFICIENCY APPROPRIATIONS.

Mr. GUGGENHEIM submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 130) making appropriations for certain expenses of the House of Representatives incident to the first session of the Sixty-second Congress, which was referred to the Committee on Appropriations and ordered to be printed.

NEW MEXICO AND ARIZONA.

Mr. BOURNE. I desire to give notice that on Saturday, August 5, following the routine morning business, I shall address the Senate on the joint resolution (H. J. Res. 14) to admit the Territories of New Mexico and Arizona as States into the Union upon an equal footing with the original States.

PENSACOLA NAVY YARD.

Mr. BRYAN. I desire to give notice that to-morrow, immediately after the disposition of the unfinished business, I will ask the Senate to consider Senate resolution 100, directing the Secretary of the Navy to report as to certain matters relative to the Pensacola and other navy yards, which is now on the table.

NEW MEXICO AND ARIZONA.

Mr. OWEN. On Monday, as a member of the Committee on Territories, I submitted my views to accompany House joint resolution No. 14 to admit the Territories of New Mexico and Arizona as States into the Union upon an equal footing with the original States. I ask for a reprint of the views with some slight corrections. (S. Rept. 100, pt. 2.)

The VICE PRESIDENT. Without objection, the order is entered.

CHUGACH NATIONAL FOREST LANDS IN ALASKA.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying maps and illustrations, ordered to lie on the table and be printed (S. Doc. No. 77):

To the Senate of the United States:

On June 27 last your honorable body adopted the following resolution:

Resolved, That the President of the United States be, and he is hereby, requested to transmit to the Senate of the United States copies of all letters, maps, executive or departmental orders or instructions, surveys, also applications to enter land, or for rights of way for railroads or otherwise, and all other official reports, recommendations, documents, or records in the Departments of War, Interior, and Agriculture, or by any of the officials or bureaus of these departments, not included in the report of the Secretary of the Interior of April 26, 1911, printed as Senate Document No. 12, Sixty-second Congress, first session, relating in any way to the elimination from the Chugach National Forest, in Alaska, of land fronting upon Controller Bay, approximating 12,800 acres; especially referring to such papers, documents, etc., as relate to the applications of the Controller Railroad & Navigation Co. for rights of way or confirmation of its maps of rights of way or harbor rights or privileges in or near to the said Controller Bay, or upon the Chugach

National Forest, or upon lands eliminated therefrom, or upon the tide lands or shore lands of the said Controller Bay, with such information, if any, as is in the possession of the War Department, relating to the character of Controller Bay as a harbor, its soundings, and a designation of those portions of the harbor which are available for the use of deep-water vessels.

Also, to include in the report hereby requested the names of the soldiers whose claims are to be used as bases for the applications for the land referred to, the mesne and subsequent assignments, and other data relating thereto, with a statement of the present status of all said applications to enter said lands or for rights of way thereon.

I herewith submit copies of all the documents above requested. The records in the Department of Commerce and Labor are not asked for in the resolution, but the Secretary of the Interior has secured from the Secretary of Commerce and Labor certain documents relating to the subject matter on file or of record in the Bureau of Coast and Geodetic Survey, and those are transmitted as part of the documents furnished me by the Secretary of the Interior. I also submit such documents as are on the Executive Office files relating to the Executive order of October 28 last.

I deem it wise and proper to accompany the submission of these documents with a statement in narrative form of the action of the administration with the reasons therefor.

The Executive order of October 28, 1910, referred to in the resolution, was in the terms following:

CHUGACH NATIONAL FOREST, ALASKA.

Under authority of the act of Congress of June 4, 1897 (30 Stat., 11, at 34 and 36), and on the recommendation of the Secretary of Agriculture, it is hereby ordered that the proclamation of February 23, 1909, enlarging the Chugach National Forest, be modified to reduce the area of such national forest by eliminating therefrom the following-described tract, containing approximately 12,800 acres of land, which has been found upon examination, to be not chiefly valuable for national forest purposes:

Beginning at a point where the meridian of longitude 144° 5' west crosses the coast line of Controller Bay, thence north along said meridian line to the parallel of latitude at 60° 10' north; thence west along said parallel to a point where the same crosses the coast line at or near the mouth of Bering River, and thence along the coast to the place of beginning.

The tract above described is hereby restored to the public domain.

WM. H. TAFT.

THE WHITE HOUSE,

Washington, October 28, 1910.

Controller Bay is upward of 20 miles in total length and 5 or 6 miles in width and is land-locked by a number of islands. It was supposed for some time to be so shallow as to make its use for navigation impossible, but in 1907 a channel was discovered, which passed from the ocean to the southeast of the island of Kanaka and curving into the bay extended southeasterly some 7 miles. Mr. McCabe, solicitor of the Agricultural Department, states in the memorandum (Exhibit D-28) prepared by him for submission to the Secretary and to me, that investigation had shown that for a distance of 6 miles the frontage of Controller Bay was on deep water, to be reached by trestles of ordinary length.

A more exact description of the channel is as follows: For 4 miles it is about three-quarters of a mile wide and for 3 miles about 2,000 feet wide, gradually approaching nearer to the shore of the mainland. The channel is 11 fathoms where it enters the bay, and continues for more than 5 miles to have a 30-foot depth, and then gradually shallows until it is from 12 to 15 feet at mean low water. The mean high tide would increase its depth 9 feet (Exhibit A-37). The bottom of the channel is glacial silt and very easily dredgable, so that it would be entirely practicable to widen the channel and deepen it the full length of 7 miles. The tract eliminated by the Executive order has a right-angled triangular form, with the shore line or high-water mark as the hypotenuse, between 6 and 7 miles long and roughly about the same length as the channel I have described. The north shore opposite the entrance of the channel to the bay is between 2 and 3 miles from low-water mark, and is separated therefrom by tidal mud flats that are covered at high water. The 30-foot contour line is about a mile farther from the shore line.

All the territory surrounding Controller Bay was included in the Chugach Forest Reservation in 1909 by a proclamation of President Roosevelt. The importance of Controller Bay is that it lies about 25 miles from very valuable coal deposits known as the Bering coal fields. Katalla Bay is to the west of Controller Bay and almost immediately adjoins it. It is an open roadstead upon the shore of which an attempt was made by the Morgan-Guggenheim syndicate to establish a railway terminal, and thence to build a road to the Bering coal fields, already mentioned. The attempt failed for the reason that the breakwater protecting the terminals was destroyed by storms and the terminals became impracticable. Some 50 miles or more farther west of Katalla Bay is the mouth of the Copper River, where there is an excellent harbor, on which is the town of Cordova. There the Copper River Railroad, owned by the Morgan-Guggenheim interests, has its terminals, and the

line runs to the northeast along the Copper River and has nearly reached certain rich copper mines in the interior. A branch from this main line is projected to the Bering coal fields and is feasible (Exhibit C-4-C).

When the channel in the Controller Bay was discovered, Mr. Tittmann, Superintendent of the Coast Survey, as shown by his letter in the record (Exhibit C-4-A), was of opinion that it was of great value and ought to be maintained as a naval reservation because of its proximity to the coal fields. His letter was submitted by the Secretary of Commerce and Labor to the Secretary of the Interior, who invited the comment of the Director of the Geological Survey. That officer replied that the harbor was a poor one, and that it would not be as good for a naval reservation as one already selected, but that he thought that private capital ought to be encouraged to construct a railway from the channel over the mud flats to the shore and thence to the coal fields. Capt. Pillsbury, of the Army Engineers, in a report in the record (Exhibit B-60), made in 1908, mentions three possible objections to Controller Bay: First, that the surrounding islands may prove to be so low as not fully to protect the channel; second, that the flats extend two or three miles from the shore; and, third, that ice formed in the rivers entering the bay and affected by tidal currents may destroy structures put upon the flats, and especially a long trestle built over them.

In December, 1909, Mr. Richard S. Ryan, representing the Controller Railway & Navigation Co., applied to Mr. Pinchot, the then Forester (Exhibit D-1), for an elimination from the Chugach Forest Reservation of a tract of land to enable his company to secure railroad terminals, bunkers, railroad shops, etc., on the northeast shore of Controller Bay. This application was referred by the Associate Forester to the district forester at Portland, Oreg., and by him to the forester in Alaska. The result of these references and the application was that early in 1910 Mr. Graves, who had in the meantime become Forester, reported that there was no objection from the standpoint of forestry interests to the elimination of the tract indicated, or, indeed, of 18,000 acres on the northeast shore of Controller Bay (Exhibit D-14).

The attention of the Navy Department was invited by the Forestry Bureau to the proposal to open the shore of Controller Bay to entry and occupation, and inquiry was made whether the Navy Department desired to use Controller Bay as a reservation and whether it objected to its being opened up (Exhibit D-5). The answer was in the negative (Exhibit D-9).

The matter was considered by the Forestry Bureau, by the Secretary of Agriculture, by the Secretary of the Interior, and by the General Land Office, and the result was a recommendation to me in May, 1910, that an elimination be made of 320 acres, with a frontage of 160 rods on the northeast shore of Controller Bay (Exhibit D-28). I entertained some question about the matter, and stated my objections at a Cabinet meeting. Thereafter, some time in June, I had an interview with Mr. Richard S. Ryan, the promoter of the Controller Railway & Navigation Co., to whom the Secretary of the Interior had stated my objections, which led to Ryan's sending a communication to the Secretary of the Interior under date of July 13, 1910 (Exhibits A-6 and C-2-B). This letter was, in the Secretary's absence, sent by the department to me at once. I considered the whole case in August, 1910, and directed that the 320 acres, recommended by both departments, be eliminated as recommended (Exhibit D-33). Nothing was done, however, in the matter until I returned to Washington in October, 1910, when a formal order, which had been drawn in the Interior Department (Exhibit C-2-K) and was subsequently specifically approved by the Secretary of Agriculture (Exhibit C-2-J) and returned to the Interior Department, was submitted to me by the Acting Secretary of the Interior, with the approval of that department (Exhibit C-2-K). The order was as follows:

[Executive order.]

CHUGACH NATIONAL FOREST, ALASKA.

Under authority of the act of Congress of June 4, 1897 (30 Stat., 11, at 34 and 36), and on the recommendation of the Secretary of Agriculture, it is hereby ordered that the proclamation of February 23, 1909, enlarging the Chugach National Forest, be modified to reduce the area of such national forest by eliminating therefrom the following described tract, containing approximately 320 acres of land, which has been found, upon examination, to be not chiefly valuable for national forest purposes and which is necessary for terminal purposes and desired by the Controller Railway & Navigation Co. for such purposes:

Beginning at a point on Controller Bay which bears south 17° 22' west, 1,196.7 feet from United States location monument No. 842; thence north 57° 29.5 feet; thence east 2,202.1 feet; thence south 7,044.2 feet to a point on Controller Bay; thence following the meanders of the bay north 52° 30' west, 1,460 feet; thence north 79° 26' west 800 feet; thence north 42° 34' west 380 feet, to the point of beginning, containing 320 acres, approximately, the same being in approximate longitude 144° 11' west from Greenwich, latitude 60° 8' north.

The tract above described is hereby restored to the public domain.

The question finally came before the Cabinet late in October. After a full discussion of the matter, and after a consideration of the law, I expressed dissatisfaction with the order because it purported on its face to make the elimination for the benefit of a railroad company of a tract of land which the company could not secure under the statute, for it was a tract 320 acres in one body when only 160 acres could be thus acquired. In the second place, I preferred to make a much larger elimination of a tract facing the entire channel, and with sufficient room for a terminal railway town. I was willing to do this because I found the restrictions in the law sufficient to prevent the possibility of any monopoly of either the upland or the harbor or channel by the Controller Railway & Navigation Co. or any other persons or company. For lack of time sufficient to draft a memorandum myself, I requested the Secretary of the Interior, who, with the Secretary of Agriculture, after full discussion, had agreed in my conclusion, to prepare a letter setting forth the reasons for making the larger elimination, so that it might become part of the record. The letter is of even date with the order (Exhibit A-18). It does not set forth the reasons for the larger order as fully as I did in discussing it.

It had been originally suggested by the Forestry Bureau that 18,000 acres might safely be eliminated so far as forestry purposes were concerned (Exhibit D-9), but fear had been expressed by one of the district foresters that such a large elimination would offer an opportunity to the company to use land scrip and acquire title to extensive town sites, and the result of the joint consideration of both departments had been the reduction to 320 acres (Exhibit C-2-K).

I wish to be as specific as possible upon this point and to say that I alone am responsible for the enlargement of the proposed elimination from 320 acres to 12,800 acres, and that I proposed the change and stated my reasons therefor, and while both Secretaries cordially concurred in it, the suggestion was mine.

The statement of Mr. Ryan, who had been properly vouched to the Forester by two gentlemen whom I know, Mr. Chester Lyman and Mr. Fred Jennings (Exhibit D-12), and who had produced a letter from a reputable financial firm, Probst, Wetzler & Co. (Exhibit D-26), was that the railway company which he represented had expended more than \$75,000 in making preparations for the construction of a railway from Controller Bay to the coal fields, 25 miles away, but that they were obstructed in so doing by the order reserving the Chugach Forest Reservation, which covered all of the Controller Bay shore. He, as well as Probst, Wetzler & Co., gave every assurance that the Copper River Railway Co., owned by Messrs. Morgan and Guggenheim, had no connection with them, and that they were engaged in an independent enterprise in good faith to build an independent railroad (Exhibits C-2-B and D-26). No evidence to the contrary has been brought to my attention since.

Of course it was possible that the owners of the Copper River Railway Co. might attempt to buy this railroad when, and if, it was built. It was possible that Mr. Ryan was acting in the interests of the Copper River Railroad, although I did not believe it; but, whether this was true or not, it was clear that the order of elimination by reason of the restrictions of the act of Congress hereafter explained, would not permit the owners of either railroad to shut out any other capitalists who might desire to construct a railroad from the channel of Controller Bay to the coal fields; and if by this order we could secure the construction of a railroad from Controller Bay to the coal fields, it would be a distinct step in the useful development of Alaska. The rates of freight for coal to be charged, of course, would always be subject to congressional control, and if Government ownership seemed a wise policy under the peculiar circumstances, ample land for right of way, harbor frontage, and terminals must always remain available under the law for Government use, or if it is preferred to take over to the Government a railway built by private enterprise, condemnation is easy.

The thing which Alaska needs is development, and where rights and franchises can be properly granted to encourage investment and construction of railroads without conferring exclusive privileges, I believe it to be in accordance with good policy to grant them.

Full authority is given in the Federal statutes for the location of railroads and the acquisition of a right of way over public lands by such location and construction of the road in Alaska (30 Stat. L., 409), and this is permitted even in the forest reservations (30 Stat. L., 1233). Pains are taken in the statute to prevent one railroad from excluding another by the appropriation of the only possible pass or canyon or defile through which a road can be built between two points. The

difficulty presented by a forest reservation in a case like this is that there is no opportunity to secure town sites or proper terminals for a coal road and shipping point in such a reservation. When, on the recommendation of Forester Pinchot, the Chugach National Forest was created by proclamation of President Roosevelt in July, 1907, there were excepted from the forest the several areas contained within boundaries formed by circles described with a radius of a mile each from the centers of 10 small towns or settlements. Among these were Eyak, on Orca Bay, and Valdez, on Valdez Arm. A little later—September 18, 1907—there was eliminated from the reservation approximately 33,000 acres of the water front on Valdez Arm, the tract thus eliminated being a mile wide, abutting on the shore, and following the contour of the arm or bay for a distance of more than 30 miles (Exhibit A-44). At this time, Valdez was deemed important as a future port. Both Orca Bay and Valdez Arm are excellent harbors and have deep water near the shore.

While it does not appear that the creation of railway terminals and harbor facilities was one of the reasons for the exclusion from the national forest of the lands around the town of Eyak, or for the elimination of 33,000 acres at Valdez Arm, it certainly was not regarded as necessary to include or to retain these lands within the national forest for fear they would be entered by a railroad, because on April 24, 1907, Mr. Ballinger, then Commissioner of the General Land Office, had called the attention of Secretary Garfield to the fact that a number of transportation companies were seeking to obtain rights of way through the lands included in the general area proposed to be reserved. Doubtless the rights of the public were thought to be sufficiently safeguarded against monopoly of harbor facilities under the limitations of the statute hereafter mentioned, which were the same then as now. As a matter of fact, the Copper River Railway Co., owned by the Morgan-Guggenheim syndicate, having applied for terminal and station grounds at what was then called Eyak shortly before the Chugach Forest Reservation was proclaimed, has established its terminals there and thus has been developed in the immediate neighborhood the well-known terminal town of Cordova. Whenever the Bering coal fields are opened this company can readily reach them by a branch line, the construction of which has already been considered and is entirely practicable. Indeed, its promoters have insisted to the Secretary of the Interior that this is the proper method of developing these coal fields, and that they would not be interested in building a direct line to Controller Bay, where it would be necessary for them to duplicate terminal facilities they already have at Cordova on a better harbor, and where coal is not the only commodity seeking transportation. If this position is correct, and it seems to have sound economic reasons behind it, the only effect of preventing railroad construction at Controller Bay would be to leave the field entirely to the Copper River Railroad.

If a railroad was to be constructed from Controller Bay to the Bering coal fields it was perfectly evident that there must be a terminal town on the shore of Controller Bay, and I was therefore glad and anxious to throw it open to entry and settlement as one important step in encouraging railroad enterprise. I was certain that Congress had provided, in the statutes affecting the entry and settlement of land in Alaska, limitations which would prevent the possibility of the exclusive appropriation of the harbor and channel of Controller Bay or its shores or upland to any one railroad. This I propose now to show.

The only practicable method for securing title from the Government in such a tract as this after its elimination is by the use of what is called "soldiers' additional homestead right" evidenced by scrip. The statutory limitations upon this method of acquiring title are threefold:

First. No more than 160 acres can be entered in any single body by such scrip (30 Stat. L., 409; 32 Stat. L., 1028).

Second. No location of scrip along any navigable waters can be made within the distance of 80 rods of any lands already located along such waters. No entry can be allowed extending more than 160 rods along the shore of any navigable water, and along such shore a space of at least 80 rods must be reserved from entry between all such claims (30 Stat. L., 409; 32 Stat. L., 1028). Moreover, the statute expressly provides that a roadway 60 feet in width, parallel to the shore line as near as may be practicable, shall be reserved for the use of the public as a highway (30 Stat. L., 413).

Third. Nothing in the act contained is to be construed to authorize entries to be made or title to be acquired to the shore of any navigable waters within said district (30 Stat. L., 409; 32 Stat. L., 1029).

Under the first limitation the navigation company and every other person is prevented from locating more than 160 acres

in one body. By the construction of the land department, as shown in the record, this requires a separation between any two entries by the same person or in the same interest of a tract of 40 acres (Exhibit A-43). This would prevent the possibility of any one person or any one interest acquiring an entire tract like that of 12,800 acres.

The second limitation is important in that it prevents the entry of claims at any point on the shore having a greater frontage than half a mile and requires that between that and the next claim taken up there shall be a frontage reserved to the public and kept in public control of a quarter of a mile. The consequence is that in the 7 miles of the frontage of this eliminated tract there must be reserved for Government control and use, and such disposition as Congress may see fit to make, and free from private appropriation, a frontage aggregating about $2\frac{1}{2}$ miles and so distributed along the shore in frontages of 80 rods as to make certain of a public frontage of this width having all the advantage that any private frontage can have (Exhibit A-38). In other words, if a tract with a half-mile frontage is located at a particularly advantageous place with reference to the harbor, then on each side of that frontage must be reserved to the public a frontage of a quarter of a mile, or a half mile in all, for public uses. These public frontages are to be connected by a 60-foot street reserved parallel to the shore.

These two restrictions necessarily prevent a monopoly of land abutting on the shore, and as they necessarily prevent a monopoly by any one locator, or in the interest of any company for whom locators are acting, they take away the motive for the acquisition of land and frontage merely for the purpose of excluding other companies and possible competitors and tend to confine locators to the acquisition of land to be profitable in its use.

Since the Executive order was issued, October 28, 1910, there have been four locations under soldiers' scrip—three of them of 160 rods each along the bay, separated by two divisions of 80 rods, dated November 1, November 10, and November 11, 1910, respectively. I shall assume that all of them are in the interest of the Controller Railway & Navigation Co. None of them has been approved or passed to patent, but I shall assume they can be passed to valid patent. Where the fourth one, dated March 11, 1911, is, does not appear on the map opposite page 2, but it is understood to front 160 rods on the bay shore on the east side of the Campbell River. In addition, upon one of the 80-rod intervals, there is filed what is called a terminal railroad claim of 40 acres, covering the entire frontage of 80 rods. This was filed December 14, 1910, after the location of the two scrip entries which it connects. It is plainly invalid because placed on the interval of 80 rods especially reserved by statute for the public. We thus have four frontages of 160 rods now located.

Of the shore frontage unlocated which may be appropriated by scrip, there remain six frontages of 160 rods each on the shore of the tract opened by the Executive order facing the bay and channel (see memorandum of Mr. Tittmann of the Coast Survey, Exhibit A-38), and in addition about $2\frac{1}{2}$ miles of frontage distributed in eleven 80-rod strips, subject to public use and the disposition of Congress. There is thus ample room for many other railroads to reach high-water mark on Controller Bay, and there to acquire tracts for terminals. Of the 12,800 acres, the entries in area have covered not more than 800 acres, and all the rest is available for scrip location or is reserved for the public under the limitations of the act.

But it is said that the three or four locations are the best ones on the bay with reference to the channel and harbor, and are opposite the deepest part. If this is true, it is equally true of the 80-rod reservations between and on each side of these locations. More than that, the channel extends $2\frac{1}{2}$ miles beyond these locations, and while it narrows some and shallows some, it still has a depth of from 15 to 30 feet at low water and, if necessary, is easily capable of being dredged to greater depth and greater width because of the character of the bottom.

But there is a third reason why the opening of this tract to settlement and limited private appropriations can not lead to a monopoly in the Controller Railway & Navigation Co. or anyone else. The distance from the dry land, i. e., the shore land—the line of high-water mark—to the line of low-water mark is between 2 and 3 miles, and the distance to deeper water is about a mile farther, making it necessary, if a harbor is to be reached and used, to construct a viaduct or trestle 3 or 4 miles long from the shore to the channel. This tidal flat is owned by the United States, and the acquisition under the public-land laws of tracts on the shore abutting these tidal flats gives no right or title to those flats. This would be the law if the statute was silent on the subject; but not only the statute of 1898 (30

Stat. L., 409) but also the amending statute of 1903 (32 Stat. L., 1028) expressly imposes the restriction that no title or right can be obtained under the act in the shore of a navigable body of water.

The theory upon which it has been contended that the Controller Railway & Navigation Co. has practically acquired an exclusive appropriation of the harbor is that its anticipated ownership of the lands located by it and abutting on the shore will give it the right to build viaducts from these lands to the side of the deep channel $3\frac{1}{2}$ miles away and there establish wharves on the channel equal in frontage to that of the locations made on the shore, and that even if it does not itself build such wharves, it can prevent anyone else from enjoying access to the channel for the whole length of its frontage, say, 2 miles. I have shown that even if this were the law, the public reservations and the unlocated frontage would prevent monopoly of the channel. But it is not the law.

The shore runs from high-water mark down to low-water mark. The owners of the upland, by virtue of the title they have acquired from the Government, do not acquire a vested right of access to the deep water, and have no right or easement to build viaducts or trestles across the flats or wharves along the deep channel which Congress may not regulate or defeat.

The principle of law is settled by the decision of the Supreme Court of the United States in the case of *Shively v. Bowlby* (152 U. S., 1). In that case it was decided that "grants by Congress of portions of the public lands within a territory to settlers thereon, though bordering on or bounded by navigable waters, convey of their own force no title or right below high-water mark" and do not impair the right either of the United States or of the future State, when created, to deal with the tidal land between high and low water mark at pleasure. It was there held that in the State of Oregon a person who took title to land acquired under an act of Congress while Oregon was a Territory, abutting on the tidal water of the Columbia River, could not object to a subsequent grant to another by the State of Oregon of the tidal lands upon which the land of the grantee under the act of Congress abutted.

It follows that no matter what the ownership of the upland abutting on the tidal flats, Congress has complete power to regulate the trestles and wharves which shall be built from the shore to the channel and along it, and to determine their character and the distance along the channel they may occupy, and in the absence of congressional action the abutting lot owners can possibly acquire at best only a revocable license or permit from the War Department to put in such structures as that department will certify do not interfere with navigation.

Is congressional action wanting or has Congress given abutting lot owners any permission or easement of this kind? In only two instances has Congress conferred any such authority.

There is a provision of the act of May 14, 1898 (30 Stat. L., 409), providing a right of way for located railways in Alaska that reads as follows:

And when such railway shall connect with any navigable stream or tidewater, such company shall have power to construct and maintain necessary piers and wharves for connection with water transportation, subject to the supervision of the Secretary of the Treasury.

But this is not a right incident to, or commensurate with, ownership of abutting land, but it is incident only to the location of a right of way of a railway. It secures to the railway only such trestles or viaducts to the wharves along the deep channel as the Secretary of the Treasury may deem necessary.

In the second place, there is a provision in the same act by which the Secretary of the Interior may permit the extension of piers and the construction of wharves from the 80-rod frontages reserved to the public, to the navigable channel, but such piers and wharves must be open to public use for reasonable tolls to be fixed by the Secretary (30 Stat. L., 413).

There is no provision or intimation in the statute that abutting landowners as such shall have an easement of this kind. The consequence is that even if the Controller Railway & Navigation Co. were to obtain control of the entire frontage on the north shore—which, of course, it can not do because of the 80-rod reservations—it still could not appropriate the channel or exclude anyone from its occupancy.

The whole contention that the Executive order and the opening to settlement of the shore of Controller Bay grants a monopoly to the railway company rests on the claim that it has given an opportunity to persons using scrip to appropriate the control of the only available and practicable parts of the channel by the location of the scrip opposite to those parts. If now the location of the scrip opposite to the harbor gives no right to reach the harbor except as Congress may expressly give it, clearly the Controller Railway & Navigation Co. has not the

slightest opportunity for exclusive appropriation of the harbor facilities unless Congress shall by future act deliberately and voluntarily confer it.

I should be lacking in candor if I allowed it to be inferred that this third reason for saying that there is not the slightest danger of this order giving a monopoly of the channel to the Controller Railway & Navigation Co. was present in my mind when I made the order. I was, of course, satisfied because of the other restrictions mentioned that no monopoly of the channel could follow, but I did not examine the law as to this point at that time. But the law is as I have stated it, and the consequences are inevitable.

The owners of the Controller Railway & Navigation Co. realized the difficulty there might be in asserting a right as abutting owners to construct trestles and wharves on the tidal flats to the channel, and without even relying on the express privilege conferred on railway companies to apply to the Secretary of the Treasury for such permission, already quoted, went direct to Congress and secured from Congress an act which gives to the company expressly a right of way 200 feet wide across the tidal flats to the deep water; but this grant of an exclusive easement is carefully drawn and is accompanied and surrounded with every safeguard. Express power to repeal it is reserved to Congress, and the character and extent of the structures on the channels are placed in the control of the War Department upon recommendation of the Chief of Engineers. This easement was granted in an act passed March 4 of this year (36 Stat. at Large, p. 1360), and only after full examination by the Interstate Commerce Committee of the House, after recommendations by the War Department and the Interior Department and a clarifying discussion in the House of Representatives (Exhibits A-40, B-86, B-88, and B-90).

In the records of the War Department will be found one permit to construct a trestle from the Controller Bay shore to the channel, which, by extension, is still in force and will remain so until January 1, 1912 (Exhibit B-78). This was given to the Controller Bay & Bering Coal Railway Co., a different company from the Controller Railway & Navigation Co. It does not appear upon what authority such permit could be given by the War Department. Under the statute, the Secretary of the Treasury is charged with supervision over such a case, and before a lawful license can be granted his consent must be obtained (30 Stat. L., 409).

It follows from what has been said that the question of how the channel of Controller Bay shall be used is wholly in the control of Congress and nothing that has been done by the Executive order or otherwise imperils that control. With the opportunity that any projected railway has to secure access to the harbor by locating its right of way to the line of the shore under supervision of the Secretary of the Treasury, or by application to Congress, the mere private ownership of land abutting on the shore is relatively unimportant. If a railway company thus secures access by trestle and wharf to the deep-water channel, it may conveniently establish its terminal yards, stations, warehouses, and elevators wherever in the eliminated tract it can secure title, and extended frontage on the tidal flats is of no particular advantage. As 12,000 acres in the tract eliminated still remain open to entry, the prospect of a monopoly in one railroad company is most remote. I submit to all fair-minded men who may have been disturbed over the charges made in respect to the Executive order of October 28, 1910, that it has been demonstrated by the foregoing that no public interest has suffered from its issue; that great good may come from it; and that no dishonest or improper motive is needed to explain it. I might, therefore, stop here; but rather for the purpose of the moral to be drawn from them than to vindicate the order, I propose to consider the attacks upon the order that misinformation, hysteria, or rancor has prompted.

The order has been criticized because it was not in form a proclamation instead of an order. This was determined by Mr. Graves, the Forester, who, in letter of March 24, 1910, speaking of the proposed elimination, says to his assistant:

Action in this instance will be taken by Executive order rather than by proclamation accompanied by diagram.

And he gives the reasons in a note dated July 6, 1911 (Exhibit D-43):

When a comparatively small area is to be eliminated from a national forest the Executive order is very commonly used instead of the proclamation, especially when other changes in boundaries may be made in a short time. The preparation of the diagrams which accompany a proclamation is necessarily expensive and laborious, and the issuance of repeated proclamations with their diagrams is avoided when an Executive order will serve the purpose. In the present case reports were pending, recommending other changes in boundaries of the Chugach Forest, and since the proposed eliminations would be described without the use of a diagram, the Executive order form of elimination was chosen.

The fact is that in law there is in effect no difference between a proclamation and an Executive order. (Wood v. Beach, 156 U. S., 548-550.) In practice the same publicity is given to each. Both are sent to the State Department for record. (See the letter from the Secretary of State—Exhibit A-35.) The custom of the State Department is to advertise neither a proclamation nor an Executive order. Each is merely handed to the representatives of the press after being executed, and is sent to the large mailing list of the State Department. That course was here pursued in respect to the Executive order of October 28, 1910. In accordance with custom, copies were sent to the Interior Department and the Agricultural Department, because they were especially concerned.

The charge has been made that this was a secret order, and that though it was made in October, 1910, no one knew of it until April, 1911. This is utterly unfounded. The statement of Mr. Vernon (Exhibit A-36), the correspondent of the Post-Intelligencer, of Seattle, a newspaper of wide circulation among a people most interested in Alaska, shows that 10 days before the order was made, news of the details of Ryan's application and the probability of its being granted was given wide publicity. It further appears from the records of the Interior Department that the evening the order was signed, October 28, 1910, a full notice of the issue of the order and its details was furnished by the department to all correspondents in the form of a news bulletin (Exhibits A-36 and C-32-C). Finally, the agent of the Associated Press (Exhibit A-39) certifies that at 7.23 p. m., October 28, 1910, there was sent out by that association to all its newspaper clients a telegram taken from a typewritten statement issued by the Interior Department, as follows:

WASHINGTON, October 28.

Approximately 12,800 acres of land in the Chugach National Forest, Alaska, have been restored by the President for disposition under appropriate land laws, according to information made public to-day by the Interior Department. These lands are situated on the coast line of Controller Bay in southern Alaska near the Cunningham claims, and have been found upon examination to be of little value for forestry purposes.

It would be difficult to prepare an advertisement more informing to the public or more likely to attract the attention of all likely to desire acquisition of land on Controller Bay. On the 20th the Chief Forester sent a telegram making a similar announcement to his district forester at Portland, Oreg. (Exhibit D-42).

The order has been attacked on the ground that it did not contain a provision delaying its taking effect for 30 days after its local publication as orders restoring land to settlement by homesteaders frequently do. An examination of the record furnishes an explanation of this feature of the order as made. When, in October, the two departments had agreed, with my acquiescence, that the order should be an elimination of only 320 acres, an order describing the 320 acres directing its restoration to settlement and containing the usual provision postponing its taking effect 30 days was prepared in the Forestry Bureau and forwarded to the Interior Department. There it was deemed wiser to spread on the face of the order a specific declaration that it was made to afford terminals for the Controller Railway & Navigation Co., and as no one else was expected to intervene and take up any part of the eliminated tract the restoration was made immediate (Exhibit C-2-J).

The form thus amended was submitted to the Secretary of Agriculture, who expressed his preference for the immediate restoration order through his solicitor's memorandum on the face of the order, as follows:

MR. CLEMENTS,
[Assistant Attorney in the Interior Department:]

We think this O. K. The Secretary says it is the direct way, and appeals to him.

GEO. P. McCABE.

The idea of the Secretary doubtless was that the short form of order was preferable because on its face it was directly indicative of the purpose to secure an opportunity to the railway company by proper entry to settle on the land eliminated, and as no one else was expected to intervene no postponement was needed. Accordingly when the case came for decision in the Cabinet the order was without any postponement clause. This was the form sent me for my signature by the Acting Secretary of the Interior Department (Exhibit C-2-K).

When I directed the striking out of the reference to the railway company and the enlargement of the area from 320 acres to 12,800 acres the form of the order in its provision for immediate restoration was not changed. I have no doubt that this was the reason why the order issued took the form it did. Had the postponement clause been suggested, I would, doubtless, have directed it to be embodied in the order. But the event has proven that it was really not important in this case, for in now,

nearly nine months, only the Controller Railway & Navigation Co. has made any scrip entries on the eliminated tract and this, although 12,000 acres and about 2½ miles of water front still remain open to entry, and there are several different railway companies in addition to the Controller Railway & Navigation Co. that had filed locations for rights of way in the vicinity in the last two years who have had in the last nine months the fullest notice of their opportunity if they wished to enter on this land.

Before closing I desire to allude to a circumstance which the terms of this resolution make apt and relevant. It is a widely published statement attributed to a newspaper correspondent that in an examination of the files of the Interior Department a few weeks ago a postscript was found attached to a letter of July 13, 1910, addressed by Mr. Richard S. Ryan to Secretary Ballinger—and in the present record—urging the elimination of land enough for terminals for the Controller Railway & Navigation Co. The postscript was said to read as follows:

DEAR DICK:

I went to see the President the other day. He asked me who it was I represented. I told him, according to our agreement, that I represented myself. But this didn't seem to satisfy him. So I sent for Charlie Taft and asked him to tell his brother, the President, who it was I really represented. The President made no further objection to my claim.

Yours,

DICK.

The postscript is not now on the files of the department. If it were, it would be my duty to transmit it under this resolution. Who is really responsible for its wicked fabrication, if it ever existed, or for the viciously false statement made as to its authenticity, is immaterial for the purposes of this communication. The purport of the alleged postscript is, and the intention of the fabricator was, to make Mr. Richard S. Ryan testify through its words to the public that although I was at first opposed in the public interest to granting the elimination which he requested, nevertheless through the undue influence of my brother, Mr. Charles P. Taft, and the disclosure of the real persons in interest, I was induced improperly and for the promotion of their private gain to make the order.

The statement in so far as my brother is concerned—and that is the chief feature of the postscript—is utterly unfounded. He never wrote to me or spoke to me in reference to Richard S. Ryan or on the subject of Controller Bay or the granting of any privileges or the making of any orders in respect to Alaska. He has no interest in Alaska, never had, and knows nothing of the circumstances connected with this transaction. He does not remember that he ever met Richard S. Ryan. He never heard of the Controller Railway & Navigation Co. until my cablegram of inquiry reached him, which, with his answer, is in the record (Exhibits A-23 and 24).

Mr. Ballinger says in a telegram in answer to my inquiry, both of which are in the record (Exhibits A-25 and 26), that he never received such a postscript and that he was in Seattle on the date of July 13, when it was said to have been written.

Mr. Richard S. Ryan, in a letter which he has sent me without solicitation, and which is in the record (Exhibit A-21), says that he never met my brother, Mr. Charles P. Taft, and that so far as he knows, Mr. Charles P. Taft never had the slightest interest in Controller Bay, in the Controller Railway & Navigation Co., or in any Alaskan company, and he utterly denies writing or signing the alleged postscript. The utter improbability of his writing such a postscript to Mr. Ballinger at Washington, when the latter was away for his vacation for two months, must impress everyone.

The fact is that Mr. Ballinger never saw the letter of July 13, 1910, to which this postscript is said to have been attached. It was sent to me by Mr. Carr, Secretary Ballinger's private secretary, at Beverly, on July 14—the next day (Exhibit C-2-D). I read the letter at Beverly in August with other papers and sent them to the White House. It was placed upon the White House files and remained there until April 22, 1911 (Exhibits A-20 and 29), when it was, by request of Secretary Fisher, for use in connection with his answer to a Senate inquiry, returned to the Interior Department, and it was after this that the correspondent is said to have seen the letter with the postscript attached. Mr. Carr saw no such postscript when he sent the letter to me. I did not see it when I read it. No one saw it in the Executive Office, but it remained to appear as a postscript when it is said that the correspondent saw the letter in April or May on the files of the Interior Department. All others were denied the sight (Exhibits A-20 and 41).

The person upon whose statement the existence of what has been properly characterized as an amazing postscript is based, is a writer for newspapers and magazines, who was given permission by Secretary Fisher, after consultation with me, to examine all the files in respect to the Controller Bay matter—

and this under the supervision of Mr. Brown, then private secretary to the Secretary of the Interior (Exhibit A-29). After the examination, at which it is alleged this postscript was received from the hand of Mr. Brown, the correspondent prepared an elaborate article on the subject of this order and Controller Bay, which was submitted to Mr. Fisher, and which was discussed with Mr. Fisher at length, but never in the conversation between them or in the article submitted did the correspondent mention the existence of the postscript. Mr. Brown states that there was no such postscript in the papers when he showed them to the correspondent and that he never saw such a postscript. Similar evidence is given by Mr. Carr and other custodians of the records in the Interior Department (Exhibit A-29).

Stronger evidence of the falsity and maliciously slanderous character of the alleged postscript could not be had. Its only significance is the light it throws on the bitterness and venom of some of those who take active part in every discussion of Alaskan issues. The intensity of their desire to besmirch all who invest in that District and all who are officially connected with its administration operates upon the minds of weak human instruments and prompts the fabrication of such false testimony as this postscript. I dislike to dwell upon this feature of the case, but it is so full of a lesson that ought to be taken to the heart of every patriotic citizen that I can not pass it over in silence.

When I made this order I was aware that the condition of public opinion in reference to investments in Alaska, fanned by charges of fraud—some well founded and others of an hysterical and unjust or false character—would lead to an attack upon it and to the questioning of my motives in signing it. I remarked this when I made the order, and I was not mistaken. But a public officer, when he conceives it his duty to take affirmative action in the public interest, has no more right to allow fear of unjust criticism and attack to hinder him from taking that action than he would to allow personal and dishonest motives to affect him. It is easy in cases like this to take the course which timidity prompts and to do nothing, but such a course does not inure to the public weal.

I am in full sympathy with the concern of reasonable and patriotic men that the valuable resources of Alaska should not be turned over to be exploited for the profit of greedy, absorbing, and monopolistic corporations or syndicates. Whatever the attempts which have been made, no one, as a matter of fact, has secured in Alaska any undue privilege or franchise not completely under the control of Congress. I am in full agreement with the view that every care, both in administration and in legislation, must be observed to prevent the corrupt or unfair acquisition of undue privilege, franchise, or right from the Government in that District. But everyone must know that the resources of Alaska can never become available either to the people of Alaska or to the public of the United States unless reasonable opportunity is granted to those who would invest their money to secure a return proportionate to the risk run in the investment and reasonable under all the circumstances.

On the other hand, the acrimony of spirit and the intense malice that have been engendered in respect of the administration of the government in Alaska and in the consideration of measures proposed for her relief and the wanton recklessness and eagerness with which attempts have been made to besmirch the characters of high officials having to do with the Alaskan government, and even of persons not in public life, present a condition that calls for condemnation and requires that the public be warned of the demoralization that has been produced by the hysterical suspicions of good people and the unscrupulous and corrupt misrepresentations of the wicked. The helpless state to which the credulity of some and the malevolent scandal mongering of others have brought the people of Alaska in their struggle for its development ought to give the public pause, for until a juster and fairer view be taken, investment in Alaska, which is necessary to its development, will be impossible, and honest administrators and legislators will be embarrassed in the advocacy and putting into operation of those policies in regard to the Territory which are necessary to its progress and prosperity.

WM. H. TAFT.

THE WHITE HOUSE, July 26, 1911.

LEAVE OF ABSENCE TO HOMESTEADERS.

Mr. CLARK of Wyoming. From the Committee on Public Lands I report back, with an amendment, in the nature of a substitute, the bill (S. 3052) granting leave of absence to certain homesteaders, and I submit a report (No. 111) thereon. On behalf of my colleague [Mr. WARREN] I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. The Secretary will read the bill for the information of the Senate.

The SECRETARY. The Committee on Public Lands report to strike out all after the enacting clause and to insert:

That all persons who have heretofore made homestead entries in the Lemmon, Timber Lake, Rapid City, Chamberlain, Gregory, and Pierre land districts, in the State of South Dakota; in the Valentine, O'Neill, and Alliance land districts, in the State of Nebraska; in the Dickinson land district, in the State of North Dakota; and in the Cheyenne, Evanston, Sundance, and Douglas land districts, in the State of Wyoming, are hereby relieved from the necessity of residence upon their lands from the date of the approval of this act to April 15, 1912: *Provided*, That the time of actual absence during the period named shall not be deducted from the full time of residence required by law.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

Mr. CRAWFORD. Is the Bellefourche land district, South Dakota, included in the bill?

The VICE PRESIDENT. It is not included.

Mr. CRAWFORD. I desire to amend the bill by inserting "Bellefourche" after "Chamberlain."

The VICE PRESIDENT. The Senator from South Dakota offers an amendment, which will be stated.

The SECRETARY. Insert after "Chamberlain," in the State of South Dakota, the word "Bellefourche."

Mr. CLARK of Wyoming. I know of no reason why this amendment should not be made. The reason why it was not inserted in the substitute was that it was not included among those land districts sent to the committee by the Commissioner of the General Land Office, of which he had notice as being in distress. If the Senator himself knows the circumstances, the amendment will be accepted by the committee.

Mr. BORAH. Is there a report accompanying the bill?

The VICE PRESIDENT. There is a written report presented with the bill.

Mr. BORAH. I ask that it be read.

The VICE PRESIDENT. Without objection, the report will be read.

The Secretary read the report this day submitted by Mr. CLARK of Wyoming, as follows:

The Committee on Public Lands, to whom was referred the bill (S. 3052) granting leave of absence to certain homesteaders, referred the same to the Secretary of the Interior for a report thereon, which report is as follows and is made a part of this report:

DEPARTMENT OF THE INTERIOR,
Washington, July 25, 1911.

Hon. KNUTE NELSON,
Chairman Senate Committee on Public Lands.

SIR: I have the honor to acknowledge receipt of a copy of Senate bill 3052, Sixty-second Congress, first session, entitled "A bill granting leave of absence to certain homesteaders," which was introduced by Senator WARREN on July 18, 1911, and to make a report thereon as follows:

That this bill be amended so as to read:

Be it enacted, etc., That all persons who have heretofore made homestead entries in the Lemmon, Timber Lake, Rapid City, Chamberlain, Gregory, and Pierre land districts, in the State of South Dakota; in the Valentine, O'Neill, and Alliance land districts, in the State of Nebraska; and in the Cheyenne, Evanston, Sundance, and Douglas land districts, in the State of Wyoming, are hereby relieved from the necessity of residence upon their lands from the date of the approval of this act to April 15, 1912: *Provided*, That the time of actual absence during the period named shall not be deducted from the full time of residence required by law and where any such entryman had abandoned the land embraced in his entry for a period of six months or more immediately preceding the passage of this act, the leave of absence herein granted shall not be available as a defense to any contest brought to enforce the forfeiture of the entry through such abandonment."

The records of this department do not disclose that the other States and Territories mentioned are suffering from a drought to such a degree as to warrant this extension. Correspondence with this office, however, indicates that parts of the Dickinson land district, in North Dakota, are also affected by this drought.

Very respectfully,

SAMUEL ADAMS,
Acting Secretary.

Your committee, having had the bill under consideration, recommends that the same be amended by striking out all after the enacting clause and inserting the following:

"That all persons who have heretofore made homestead entries in the Lemmon, Timber Lake, Rapid City, Chamberlain, Gregory, and Pierre land districts, in the State of South Dakota; in the Valentine, O'Neill, and Alliance land districts, in the State of Nebraska; in the Dickinson land district, in the State of North Dakota; and in the Cheyenne, Evanston, Sundance, and Douglas land districts, in the State of Wyoming, are hereby relieved from the necessity of residence upon their lands from the date of the approval of this act to April 15, 1912: *Provided*, That the time of actual absence during the period named shall not be deducted from the full time of residence required by law."

Your committee further recommends that the bill when so amended do pass.

Mr. NELSON. Mr. President, I desire to make a brief statement. The bill as originally introduced covered a large number of States and the entire area of the States. It was referred to the Interior Department, and they reported that only in certain land districts in particular States did conditions exist which warranted a call for legislation, and hence the committee reported it substantially with the recommendation of the Interior Department. Among other States, for instance, that were included in the original bill was the State of Minnesota. We have

no occasion for such legislation in that State. No drought has existed in that State which has destroyed the crops either last year or this year.

Under the general law a homesteader who has initiated a settlement on his claim can by application to the Land Office secure a leave of absence for six months, but where a settler has not initiated his claim he can not get such leave. The object of this law is to cover those parts of the country where they lost their crops from drought last year altogether, and this year also, and where they have been unable to initiate a settlement on that account. It is for the purpose of allowing those settlers to stay away until next spring, in order that they may earn something for the support of themselves and their families. It is to cover cases where they have not initiated a settlement. Where they have initiated a settlement they can obtain a leave of absence for six months at one time.

The limitation put into the bill limiting it to these particular lands is done at the instance of the Interior Department. Before that report was sent in I had a conversation with the Commissioner of the General Land Office. He said they have on file in their office information from the various land districts so that they could determine in what locality this relief is needed. One district in North Dakota was not included in the amendment he suggested, but he added in his letter that the conditions were such there as in the other localities, and hence we added in the amendment the Dickinson land district, in the State of North Dakota.

Mr. PAGE. Mr. President, I should like to ask the Senator from Minnesota if in passing this bill we are establishing any precedent likely to trouble us in the future?

Mr. NELSON. We are establishing this precedent: If it should happen that they had two years of drought in succession that utterly destroyed the crops, as has been the case in this instance in these localities, it would afford a precedent for relief in those cases.

Mr. PAGE. Is there any precedent in the past for this action?

Mr. NELSON. Not exactly of this kind. We have passed several bills for the relief of settlers, relieving them from occupying the lands during the winter. I recollect that a year or two ago we passed a bill for the benefit of settlers in North Dakota and other Northwestern States on account of the severe winter storms, which prevented them from living on their claims. We excused them from living on them during that stormy period in the winter. Senators will bear in mind that while the bill gives the settlers a leave of absence until the 12th of April next, they have still to live five years on the land before they can get title.

Mr. PAGE. Mr. President, it seems to me it would hardly be possible that this drought is something so unprecedented that relief should be called for at this time, when nothing of the kind has occurred in the past.

Mr. WARREN. Mr. President—

Mr. NELSON. Let me answer that question. The truth of it is that a large share of these lands, especially in South Dakota, to my knowledge, were entered for the first time at the Land Office last year under a system of drawings and allotments. They were Indian lands opened to homestead settlement for the first time. In most of these cases the homestead settlers did not get the land free. They are required to reside on it, as they did in other cases where they got the land free. But in these cases they have to pay a price for the land, and that goes to the benefit of the Indians. Most of these are not what you would call free homesteads. The homestead requirement of the settler has been incorporated in connection with the price that they have to pay to the Indians for the land.

Mr. PAGE. I see that the department does not recommend the passage of this bill; it simply answers the question very briefly. It occurred to me that this was not the first dry time that has occurred in the past. What I wish to know of the Senator from Minnesota is whether there is some precedent for this legislation or whether it is new?

Mr. WARREN. Mr. President, we have precedent for this kind of legislation where there has been great drought in the past. But, if the Senator will permit me, this is more especially necessary now because of the new endeavor, comparatively speaking, of dry farming, so called. Lands that were supposed to be arid and semiarid, where water can not be conducted upon them, are now being brought under cultivation. There have been large numbers of people who have settled upon these lands and by deep plowing and summer fallowing are reclaiming the land, making homes, and through their sturdy efforts they are not only making two blades of grass grow where but one grew before, but are making thousands of blades of grass,

thousands of acres of growing crops grow, where none grew before, and where in some cases the land was an absolute desert and in others, at best, only produced short, sparse, wild grasses. They had in many localities a very severe drought all last summer and very little snow in the winter and again drought this last spring and present summer.

There is no class of settlers—in fact, no class of citizens—that deserves better treatment or greater indulgence at the hands of the United States Government than do these hardy, industrious, honest, enterprising pioneers who are forcing the reluctant soil to gather and give up moisture enough to insure, at least every other year, a crop worth harvesting.

This proposed bill does not relieve the settler of any responsibility whatever except that it allows him to live longer on the place before he is obliged to make proof on his claim. The Government loses nothing and the settler gains nothing except that he can make sure proof that he has cultivated so much land and gathered crops where he would be debarred from doing it and lose his land if these two dry summers were allowed to count against him and he was not offered relief.

Mr. PAGE. I was not attempting to debate the proposition, except to inquire if this is legislation absolutely new and unprecedented, because in that case I think we ought to debate it still further. If there are precedents for it, as I understand there are, I have nothing further to say.

Mr. NELSON. Mr. President, I want to say, for the information of the Senator from Vermont, that under the general homestead law a settler is required, if he wants the land for nothing except the Land Office fees, to reside upon the land and cultivate it and make it his home for five years. He can, however, under the general homestead law commute his homestead, as we call it; that is, after living on the land 14 months and improving and cultivating it during that time, he can, at the end of 14 months, prove up and get title by paying for the land a dollar and a quarter an acre.

A considerable portion of these lands are Indian lands. In opening them for settlement the homesteaders were required to pay a specific price for the lands, and in order to prevent their going into the hands of speculators the homestead requirement of settlement and cultivation was incorporated. These settlers have still got to live five years on this land, or they can at the end of 14 months commute, but they must pay the stipulated price. All the relief this bill gives them is that between now and next April they need not live on the land. Otherwise in all respects they are obliged to fulfill the requirements of the law.

Mr. BORAH. Mr. President, I do not propose to interpose any opposition to the passage of this measure, but I want to say, before it does pass, that I think it a very poor kind of land legislation. On May 20, 1862, we passed our homestead law, which requires a homesteader to reside for the term of five years upon his land. That law has become antiquated in its operation and imposes very great hardship on the settler. We are constantly passing laws for the relief of the settler in his distressed condition, because if any unforeseen hardship whatever overtakes him he is already so impoverished by the long years which he must reside upon his homestead before he can have title or utilize it that he must appeal to Congress for relief.

Our sister country, Canada, with which we are so enamored at this time, has provided that a homesteader may acquire title to public land within three years, and that he may have an absence from his home six months out of each year for the purpose of earning that which almost all settlers have to earn in order to enable them to take care of their expenses, which generally can not be earned upon the homestead in the first few years of settlement.

I introduced a bill a year or so ago—some time within which the memory of man runneth not to the contrary—and sent it to the Committee on Public Lands. I have not since heard from it. I think that, in order to relieve the settler, in order to induce immigration in a bona fide way to the public lands, the settlement of the public lands should at this time be placed upon a practical business basis and in accordance with the conditions of the present time; that we should get from under the archaic law of 40 or 50 years ago and give the settler an opportunity to utilize his assets, to utilize his earnings, and to utilize his lands as soon as the bona fide of the settler has been established.

That is as thoroughly established after a period of residence of three years as it is after a period of residence of five years. Instead of administering these temporary reliefs for the distressed condition of the settlers we ought to overhaul the land law and place it in harmony with present conditions and the present time.

Mr. CLARK of Wyoming. Mr. President, I am entirely in harmony with the Senator from Idaho [Mr. BORAH], but in the meantime, while we are overhauling the general land laws, I think we should pass this bill for temporary relief.

One of two things must happen, Mr. President, either these people must be relieved by the passage of a law of this sort or they must lose their effort for the time mentioned by the Senator from Minnesota [Mr. NELSON] and by my colleague from Wyoming [Mr. WARREN]. It is true, as the Senator from Idaho says, that our land laws are archaic; it is further true that every possible obstruction is put in the way at this day of every man who wants to settle upon the public lands of the United States, there to carve out a home. Not only are obstructions put in his way practically, but hardly an entry is made in local land offices that has not the tinge of suspicion cast upon it. No matter how honest may be the settlement, no matter how earnest may be the endeavor, it is almost impossible, Mr. President, for a man in this day to secure, with any reasonable degree of certainty or in any reasonable time, the title to the land which he has occupied.

The conditions at the present time in these particular land districts are known all over the country. It is known that there have been droughts; it is known that the crops have failed; it is known that unless these settlers get this temporary relief they must forfeit whatever right they may have as attached to this land. I hope that we may not wait for general laws in order to relieve a present necessity.

Mr. BORAH. Mr. President, I did not interpose opposition to the passage of the bill, but I rise to say again that there are hundreds of settlers upon the public lands who are suffering from hardships imposed upon them, almost as much so as those who have been peculiarly subjected to hardships by reason of the drought. I can not understand the persistency with which the American Congress refuses to relieve the man who is in good faith trying to make a home upon the public domain. We are quick to act in certain emergencies and under certain conditions, but the lone settler who goes upon the public domain, impoverished generally when he starts, receives but little consideration, even after 10 years of earnest petitioning to this Congress to enable him to acquire a home under conditions which leave him in a position to take care of his family after he has acquired his home. His family is deprived of schooling; his land is mortgaged the day after he acquires his title in order to take care of the expenses which have been necessarily incurred in the long years which he has been upon the land. We are persistently pursuing a course, year after year, of impoverishing the men who, as home builders, are trying to build up and reclaim these unsettled regions.

Mr. NEWLANDS. Mr. President, I favor the passage of the pending bill as a matter of needed relief; but I am in hearty sympathy with the demand of the Senator from Idaho [Mr. BORAH] for immediate and comprehensive amendments to our land laws.

Seven years ago I had occasion to call the attention of the Senate to our misfit land laws, and declared that those laws, whilst originally adapted to the settlement of the agricultural portion of the public domain in the humid regions and guarding carefully against land monopoly, were not well suited to the settlement of the public domain in the arid and mineral regions of the country.

I have several times since taken occasion to comment upon the insufficiency of our land laws to meet the economic requirements of western development, and that this very fact had brought about an evasion of the laws with a view to meeting such economic requirements. These conditions brought about a state of public opinion in the West which regarded with complacency the evasion of the law, and under these conditions of public opinion large areas of timber and coal land drifted into monopolistic control, though the purpose of the law was to avoid it.

RISE OF THE CONSERVATION POLICY.

Under Mr. Roosevelt's administration a vigorous propaganda was urged for the reform of the land laws, and as the Representatives of the Western States in Congress were inert in their response to this demand Mr. Roosevelt's administration started upon a vigorous prosecution of all evasions of and frauds under the law.

The beneficiaries of these evasions and frauds were politically strong, and hence arose a struggle with the administration as to the enforcement of the law, when the entire effort of the Representatives of that region should have been addressed to the reform of the law. Meanwhile there was an increasing public demand in that region that the development of its natural resources should not be checked. The answer of the Roosevelt administration was:

We agree with you that such development should not be checked; but if development can only be secured by evasion of existing laws, we

must enforce the laws, and if you wish to secure development you must change the laws, and change them in such way as to prevent monopolistic control.

As a member of the Public Lands Committee I have witnessed the struggle that has been going on for years between two contending thoughts—one that the development of the country is best served by the immediate absorption of its natural resources by private interests and the other that the use and development of these natural resources should be controlled by the interest of the entire people in such way as to protect them against injurious monopoly.

The conservation policy, therefore, was developed, which required:

1. That every part of the public lands should be devoted to the use which would best subserve the interests of the whole people.
2. That the classification of all public lands would be necessary for their administration in the interest of the people.
3. That the timber, the minerals, and the surface of the public lands should be disposed of separately.
4. That the public lands more valuable for conserving water supply, timber, and natural beauties or wonders than for agriculture should be held for the use of the people from all except mineral entry.
5. That the title to the surface of the remaining nonmineral public lands should be granted only to actual homeseekers.
6. That pending the transfer of title to the remaining public lands they should be administered by the Government and their use should be allowed in such way as to prevent or control waste and monopoly.

As this policy developed, it took the form of requiring that, whilst the surface of our coal and oil lands could be granted for agricultural purposes, the title to these minerals themselves should be maintained in the Government, and that these resources should be developed under a leasing or royalty system sufficiently liberal to promote enterprise, but at the same time so guarded as to prevent extortionate charges and monopolistic control.

So also with the timberlands the policy took the form of a retention of the title of our timberlands in the Government and the development of this resource through a sale of stumpage to private individuals in such way as to promote private enterprise and yet under such control as to prevent destruction and waste.

And as to the grazing lands the policy developed, whilst encouraging homestead settlement, resulting in the creation of individual homes in areas sufficient to support a family but not large enough to encourage monopolistic holdings, was that the public grazing lands should be put under the control of the Agricultural Department under a leasing system which, looking to no profit for the Government but simply to the covering of administrative expense, would secure equality of opportunity for the small as well as the large grazer, would protect the grass from too greedy competition among the grazers, would prevent physical might from becoming the dominant factor, and do away with the war of the range, which has been so destructive of human life.

A POLICY OF HOME MAKING.

It will be perceived, therefore, that this policy in no way limits the development of the West. On the contrary, it promotes it by seeing that the home maker is preferred everywhere and that, pending the coming of the home maker, the natural resources of the public domain are developed in such way as to promote private enterprise and at the same time protect against waste and injurious monopoly. The enemies of this policy, however, have been most skillful, particularly in the regions affected, in raising the clamor that the purpose of the conservationists is to lock up the resources of the country and to check western development, and that their purpose is also to substitute socialistic control for individual enterprise. That this is not so is shown by extracts from the utterances of Mr. Roosevelt and Mr. Taft, the reports of Secretaries Hitchcock, Garfield, and Ballinger, the reports of the Commissioners of the Land Office, the reports of the Land Commission appointed by President Roosevelt, the conference of governors at the White House, and the utterances of the National Conservation Commission.

I shall quote from these reports and utterances as follows: PRESIDENT ROOSEVELT ON THE NECESSITY FOR REVISION OF PUBLIC-LAND LAWS.

President Roosevelt, in his message to the Fifty-eighth Congress, of December 7, 1903, urged the necessity for the revision of public-land laws. Calling attention to the "widespread conviction that certain of the public-land laws and the resulting administrative practice no longer meet the present need," and to the fact that "the rapidly increasing rate of disposal of the

public lands is not followed by a corresponding increase in home building," and that "there is a tendency to mass in large holdings public lands, especially timber and grazing lands, and thereby to retard settlement," he urged that, so far as practicable, "the remaining public land should be held rigidly for the home builder"; and he announced the appointment of a Land Commission, consisting of Mr. Richards, the Commissioner of the Land Office; Mr. Pinchot, and Mr. Newell, to report "what changes in organization, laws, regulations, and practice affecting the public lands are needed to effect the largest practicable disposition of the public lands to actual settlers who will build permanent homes upon them, and to secure in permanence the fullest and most effective use of the resources of the public lands."

ROOSEVELT—WITHDRAWAL OF COAL LANDS.

In his message to the second session of the Fifty-ninth Congress, December 3, 1906, President Roosevelt advised the withdrawal of the coal lands, urging that the ownership should remain in the United States, which should permit them to be worked by private individuals under a royalty system, the Government keeping such control as to prevent the charge of excessive prices to consumers. He said:

The coal, like the forests, should be treated as the property of the public, and its disposal should be under conditions which would inure to the benefit of the public as a whole.

President Roosevelt, on December 16, 1906, sent another message to Congress (S. Doc. No. 141; 59th Cong., 2d sess.) calling attention to the report of the Public Land Commission, and the need to "recast the public-land laws and adapt them to the actual situation."

He called particular attention to the timber and stone act, the desert-land act, and the general unsatisfactoriness of existing laws and the frauds perpetrated under them. He said:

For much of this fraud the present laws are chiefly responsible. * * * The present coal law limiting the individual entry to 160 acres puts a premium on fraud by making it impossible to develop certain types of coal fields and yet comply with the law. It is a scandal to maintain laws which sound well, but which make fraud the key without which great natural resources must remain closed.

Regarding Government control of grazing, he said:

The control of grazing in the national forests is an assured success. * * * The situation on the open Government range is strikingly different. Its carrying capacity has probably been reduced one-half by overgrazing, and is still falling. * * * I recommend that a bill be enacted which will provide for Government control of the public range through the Department of Agriculture, which alone is equipped for that work. * * * The rights of the settler and home maker should be absolutely guaranteed. * * * Reasonable fencing, which promotes the use of the range and yet interferes neither with settlement nor with other range rights, would be thoroughly desirable if it were legal. Yet the law forbids it, and the law must and will be enforced.

Again, during the second session of the Fifty-ninth Congress (S. Doc. 310), President Roosevelt, on the 13th day of February, 1907, in a message, urged the "need of legislation affecting the different phases of the public-land situation."

He recommended to Congress legislation providing for title to and development of the surface lands as separate and distinct from the right to the underlying mineral fuels, "and the disposal of these mineral fuels under a leasing system on conditions which would inure to the benefit of the public as a whole."

Calling attention to the fact that the leasing system prevails in Australia and in all the great coal-producing European countries except Great Britain, and that there, as in other countries, the surface culture and the mining operations are conducted independently of each other, and that in the United States, although conveyance of the mineral rights with the surface has been the common practice, the separate development of the two interests is increasing, he declared that mineral fuels, like the forests and navigable streams, should be treated as public utilities.

Referring to the desire of the people of the Western States for a rapid development of that region, he said:

So far from hindering, I want to further that development. But surely * * * the development shall take place in such way as to leave the children better off, and not worse off, than the fathers. Let us use, but not waste, the national resources.

Also urging Government control of the public pasture lands, President Roosevelt said:

The local control of the range should be in the hands of western men familiar with stock raising, and there should be full local participation in the management of the range; for cooperation between the stockmen and the Government officers is absolutely essential. There is no need at present that the Government should get a net revenue from grazing on the public range, but only enough to pay for administration and improvement, and it may be wise to provide that any surplus shall go to the States and Territories in which the fees are collected. If a law for the control of the range should, as I request, be enacted, such control would not be taken hurriedly, but gradually, as grazing districts can be organized.

Again referring to fencing, and referring to the present illegal fencing, he said:

Much of this fencing is needed; much of it also represents a fraud upon the public. What is needed is not to provide for the continuance of all fencing, whether beneficial or harmful, but a proper discrimination between the two classes; a discrimination to be exercised always with a special care for the interests of the homesteader and the small stockman.

He referred to the opposition to the proposed measure as coming from those "who have already obtained control of great areas of the public land largely through the ownership or leasing of water at what might be called the strategic points of the range, and who object to the proposed law for the very reason that it is in the interest of the actual homesteader and the small stockman, and because it will break the control that these few big men now have over the lands which they do not actually own."

In a message to Congress during the first session of the Sixtieth Congress, December 2, 1907, President Roosevelt again took up the matter of the revision of the public-land laws. He said:

The land-law system which was designed to meet the needs of the fertile and well-watered regions of the Middle West has largely broken down when applied to the drier regions of the Great Plains, the mountains, and much of the Pacific slope, where a farm of 160 acres is inadequate for self-support. In these regions the system lent itself to fraud, and much land passed out of the hands of the Government without passing into the hands of the home maker.

Alluding to the appointment of a Public Lands Commission three years before, he urged that their recommendations are sound and that "they are especially in the interest of the actual home maker; and where the small home maker can not at present utilize the land they provide that the Government shall keep control of it so that it may not be monopolized by a few men. The Congress has not yet acted upon these recommendations."

He again referred to the necessity of grazing control, as follows:

The existing fences are all illegal. Some of them represent the improper exclusion of actual settlers, actual home makers, from territory which is usurped by great cattle companies. Some of them represent what is in itself a proper effort to use the range for those upon the land, and to prevent its use by nomadic outsiders. All these fences, those that are hurtful and those that are beneficial, are alike illegal and must come down. But it is an outrage that the law should necessitate such action on the part of the administration. The unlawful fencing of public lands for private grazing must be stopped, but the necessity which occasioned it must be provided for. The Federal Government should have control of the range, whether by permit or lease, as local necessities may determine. Such control could secure the great benefit of legitimate fencing, while at the same time securing and promoting the settlement of the country.

Again, in a message of January 22, 1909, transmitting the report of the National Conservation Commission, President Roosevelt said:

The remaining public lands should be classified and the arable land disposed of to home makers. In their interest the timber and stone act and the commutation clause of the homestead act should be repealed and the desert-land laws should be modified in accordance with the recommendations of the Public Lands Commission.

The use of the public grazing lands should be regulated in such ways as to improve and conserve their value.

Rights to the surface of public lands should be separate from rights to forests upon it and to minerals beneath it, and these should be subject to separate disposal.

The coal, oil, gas, and phosphate rights still remaining with the Government should be withdrawn from entry and leased under conditions favorable for economical development.

PRESIDENT TAFT.

President Taft, in his message of December 6, 1910, made specific recommendations to the effect that the coal deposits should be leased, in measures not exceeding 2,500 acres, for 50 years, with a minimum rental or royalty, to be readjusted every 10 or 12 years, and with conditions preventing combinations tending to monopoly.

He made similar recommendations regarding phosphate and oil lands and water-power sites. As to water-power sites, his view was that they should be either directly leased by the Federal Government or turned over to the States, to be leased by them upon terms that would prevent monopolistic combination and secure reasonable rates. He said:

Either of these methods would, I think, accomplish the proper public purpose in respect to water-power sites; but one or the other should be promptly adopted.

So much importance did the President attach to the conservation policy that he annexed to his message his address to the National Conservation Congress, an address which was absolutely in harmony with the general conservation policy.

ALASKAN RAILROADS.

As to the railroads in Alaska, President Taft in his message said:

I have been asked to recommend that the credit of the Government be extended to aid the construction of railroads in Alaska. I am not ready now to do so. A great many millions of dollars have already

been expended in the construction of at least two railroads, and if laws be passed providing for the proper development of the resources of Alaska, especially for the opening up of the coal lands, I believe that the capital already invested will induce the investment of more capital, sufficient to complete the railroads building and to furnish cheap coal not only to Alaska, but to the whole Pacific coast. The passage of a law permitting the leasing of Government coal lands in Alaska after public competition, and the appointment of a commission for the government of the Territory, with enabling powers to meet the local needs, will lead to an improvement in Alaska and the development of her resources that is likely to surprise the country.

It will thus be observed that President Taft is substantially in line with Mr. Roosevelt in urging immediate legislation embodying the conservation policies.

REPORTS OF SECRETARIES OF THE INTERIOR. HITCHCOCK.

Mr. Hitchcock, in his report for the year ending June 30, 1905, urged the adoption of the recommendations of the Public Lands Commission.

And in his report for the year ending June 30, 1906, after urging the revision of the land laws, and that the opportunities afforded for a fraudulent acquisition of public lands should be removed by the repeal or modification of objectionable legislation, Mr. Hitchcock stated that until then—

the Government may expect to expend its money and energy in apprehending and convicting those seeking to defraud it out of its public lands.

GARFIELD.

In his report for the year ending June 30, 1907, Mr. Garfield said:

It is gratifying to notice that there is a growing sentiment in favor of the enforcement of the land laws. Until quite recently evasion of the public-land laws was not uncommon, and in many localities, due both to public sentiment and to the indifference on the part of the Federal officers, many thousands of acres were acquired contrary to law.

The great majority of the citizens of the West now recognize that the resources of land, timber, water, fuel, and forage are not inexhaustible, and that the waste or misuse of those resources must be stopped.

The difficulty the department encounters in the enforcement of laws is that in some instances the laws themselves are not applicable to existing conditions. This difficulty arises especially in connection with the laws affecting coal lands, timber and stone lands, and use of the public range.

After urging the separation of the surface from the coal and the leasing of the latter, and alluding to the beneficial experience of Australia in this particular, Mr. Garfield said:

The use of the Alaska coal is of the utmost importance. The millions of tons there should not be given away simply because they are not now accessible. Within a few years systems of transportation will bring that coal to our furnaces, ships, and locomotives.

It is our duty to so guard those deposits of national wealth as to prevent the consumer from paying an unduly high price when finally they are brought to market. We should not yield to the specious claim that these lands must be given away now in order to develop Alaska. Honest development will come as rapidly as the public need demands.

It is to be hoped that Congress will undertake a careful revision of the land laws. The reports of the Commissioner of the General Land Office and of the Public Lands Commission afford the information necessary upon which to base much-needed legislation.

Mr. Garfield, in his report for the year ending June 30, 1908, said:

Conservation means not only preservation of our resources, but, as well, their wise and immediate use and the prevention of their misuse, whether by way of waste or monopolistic and speculative control.

In this report Mr. Garfield laid down the doctrine of stewardship regarding the public lands as follows:

This stewardship duty of the Executive is most concretely manifest in the care of the specific property known as the public lands and their resources. From the earliest days the Executive has found it necessary in the public interest to take action concerning the public lands by withdrawing areas from entry. There was no specific provision of law for many of those withdrawals, and yet they were made unhesitatingly by the Executive as steward and were approved by Congress in acts granting land for the purpose for which it was withdrawn. These were purely the acts of stewards farsighted enough to foresee and protect the interests of their principal, the people of the United States.

It was this stewardship doctrine which Mr. Ballinger opposed, and his restoration of vast areas to entry would have resulted in the waste of the public domain had it not been that he was checked by President Taft, and that later ample legislation upon the subject was adopted.

BALLINGER.

Whilst it is claimed that the action of Secretary Ballinger was in opposition to the administration of his predecessors, no trace of opposition to the conservation policy can be found in his public reports, for in his report of November 10, 1909, he said:

The liberal and rapid disposition of the public lands under these statutes and the lax methods of administration which for a long time prevailed naturally provoked the feeling that the public domain was legitimate prey for the unscrupulous and that it was no crime to violate or circumvent the land laws. It is to be regretted that we, as a Nation, were so tardy to realize the importance of preventing so large a measure of our natural resources passing into the hands of land pirates and speculators, with no view to development looking to the

national welfare. It may be safely said that millions of acres of timber and other lands have been unlawfully obtained, and it is also true that actions to recover such lands have in most instances long since been barred by the statute of limitations.

In this present policy of conserving the natural resources of the public domain, while development is the keynote, the best thought of the day is not that development shall be by national agencies, but that wise utilization shall be secured through private enterprise under national supervision and control. Therefore, if material progress is to be made in securing the best use of our remaining public lands, Congress must be called upon to enact remedial legislation.

Mr. Ballinger then recommended classification and new legislation providing for the separation of the coal, oil, and gas deposits from the surface and for a leasing system under reasonable regulations.

He also urged the classification of all lands useful for water-power development, the reservation of the title in the Federal Government, and the grant only of an easement upon conditions favorable to the public.

In Mr. Ballinger's report, dated December 1, 1910, he said in regard to coal lands and water-power sites:

COAL LANDS.

Respecting the disposition of coal in the public lands, I call attention to what was said on this subject in my last annual report, to the effect that new legislation was desirable and that the most advantageous method of disposal of coal deposits will be found in a measure authorizing the lease or sale thereof, subject to forfeiture for failure to exercise the rights granted, with restrictions on mining operations in order to conserve the deposit as a public utility.

I consider it highly important that Congress take action in giving the department an effective method of disposition of coal lands and deposits, especially in Alaska. The question of whether it should be by a sale of the deposit, or through a leasing method, is one to be determined by Congress. In Alaska it is possible that a leasing system could be adapted to the country with great efficiency and with less complication than in the States.

I am in favor of a general leasing system of oil and gas bearing lands, such a system as will promote legitimate development of this industry, prevent monopoly, and conserve one of the great natural resources of the country.

WATER POWER.

In the various public-land States and Territories containing water-power resources, in so far as there is present market for those powers, the title to areas greater in extent than that remaining in the Government has long since passed into private ownership, and it must be realized that any radical or burdensome restriction imposed by the Federal Government upon this resource will operate as a servitude on the public lands and discourage their development and use. In my last annual report, in order to meet the emergency for a special method of administering this character of the public lands, and in order to retain the ultimate control thereof in the public, it was recommended that supervision be exercised through a leasing system. During the last session of Congress a bill was introduced "authorizing the President to withdraw from all forms of settlement, entry, or other disposition any lands which are or may become chiefly valuable for the development of water power, and providing for the acquisition by any State or Territory, under certain conditions, of any lands so withdrawn, and for other purposes."

The object of this bill is to transfer these sites to the States under limitations which would compel the States to retain title thereto and to secure and supervise their hydroelectric development in behalf of the public. The bill provides for Federal enforcement of compliance by the States with the terms, conditions, and limitations of the grant by stipulating for a reversion of the lands to the Federal Government upon the failure by the States to comply therewith.

Taking into consideration the fact that the States own the waters in the streams and have police power to supervise and control public utilities, it would seem a direct and effective method of control would be accomplished by conveying the power sites in trust to the States in some such manner as proposed by this bill.

I earnestly advise the adoption of some legislation which will in any event retain the fee title to the lands in the people and effectually vest the power of regulation and control in the State or in the Federal Government, and which will not result in limiting prompt and economical development or permit monopolization or extortion.

THE COMMISSIONERS OF THE LAND OFFICE.

The reports of Mr. Richards for the year 1906, of Mr. Ballinger for the year 1907, and of Mr. Dennett for the years 1908, 1909, and subsequent years all are in harmony with the conservation policy as laid down by Mr. Roosevelt, Mr. Hitchcock, and Mr. Garfield; and whilst much criticism has been made of the actions, views, and real purposes of both Mr. Ballinger and Mr. Dennett, no utterance in contradiction of the conservation policy can be found in any of their reports.

THE PUBLIC LANDS COMMISSION.

President Roosevelt on the 22d day of October, 1903, appointed a commission consisting of Mr. Richards, the Land Commissioner; Mr. Pinchot, the Forester; and Mr. Newell, the Director of the Reclamation Service, to report upon the present land laws and to recommend changes. This commission made, first, a partial report on March 7, 1904, and a second partial report in November, 1905, after which time they were legislated out of existence through the action of Congress in ending all the commissions organized by President Roosevelt for the purpose of aiding him in his power of recommendation.

ANTIQUATED LAND LAWS.

Under the head of "Antiquated land laws," the Land Commission found that "the present land laws do not fit the conditions of the remaining public lands."

The reports of this commission constitute the basis of the conservation policy, and cover:

First. The preservation of the public domain for home seekers.

Second. The conservation of the forests and the sale of stumpage instead of the surface.

Third. The organization of a system of grazing control with a view to the protection and development of the grazing, the protection of the weak against the strong grazers, and the fencing of the public domain where necessary, with a proper regard for the rights of settlers.

Fourth. The separation of the coal and oil deposits from the surface, with a view to the utilization of the surface for agricultural purposes and the development of the coal and oil under a leasing system which, whilst securing proper development, would prevent an oppressive monopoly.

CONFERENCE OF GOVERNORS AT THE WHITE HOUSE.

In May, 1908, President Roosevelt called the governors of the States in conference at the White House, with a view to considering measures relating to the conservation of the natural resources of the country. It was largely attended, the proceedings were harmonious, and the action unanimous.

This conference declared, in part, as follows:

We declare our firm conviction that this conservation of our natural resources is a subject of transcendent importance, which should engage unremittingly the attention of the Nation, the States, and the people in earnest cooperation. These natural resources include the land on which we live and which yields our food; the living waters which fertilize the soil, supply power, and form great avenues of commerce; the forests which yield the materials for our homes, prevent erosion of the soil, and conserve the navigation and other uses of the streams; and the minerals which form the basis of our industrial life and supply us with heat, light, and power.

We agree that the land should be so used that erosion and soil wash shall cease, and that there should be reclamation of arid and semiarid regions by means of irrigation and of swamp and overflowed regions by means of drainage; that the waters should be so conserved and used as to promote navigation, to enable the arid regions to be reclaimed by irrigation, and to develop power in the interests of the people; that the forests which regulate our rivers, support our industries, and promote the fertility and productivity of the soil should be preserved and perpetuated; that the minerals found so abundantly beneath the surface should be so used as to prolong their utility; that the beauty, healthfulness, and habitability of our country should be preserved and increased; that sources of national wealth exist for the benefit of the people, and that monopoly thereof should not be tolerated.

The conference decided also for cooperation of the Nation with the States, as follows:

We agree that further action is advisable to ascertain the present condition of our natural resources and to promote the conservation of the same; and to that end we recommend the appointment by each State of a commission on the conservation of natural resources, to cooperate with each other and with any similar commission of the Federal Government.

THE NATIONAL CONSERVATION COMMISSION.

The National Conservation Commission, appointed by President Roosevelt and composed of many of the most distinguished men from all parts of the country, also held a meeting at Washington and unqualifiedly indorsed the conservation policy in the following words:

Good business sense demands that a definite land policy be formulated. The National Conservation Commission believes that the following will serve as a basis therefor:

1. Every part of the public lands should be devoted to the use which will best subserve the interests of the whole people.
2. The classification of all public lands is necessary for their administration in the interests of the people.
3. The timber, the minerals, and the surface of the public lands should be disposed of separately.
4. Public lands more valuable for conserving water supply, timber, and natural beauties or wonders than for agriculture should be held for the use of the people from all except mineral entry.
5. Title to the surface of the remaining nonmineral public lands should be granted only to actual home makers.
6. Pending the transfer of title to the remaining public lands they should be administered by the Government, and their use should be allowed in a way to prevent or control waste and monopoly.

The present public-land laws as a whole do not subserve the best interests of the Nation. They should be modified so far as may be required to bring them into conformity with the foregoing outline of policy.

We thus find that during the past eight years there has been a continuous expression of two Presidents, of three Secretaries of the Interior, of three Commissioners of the Land Office, of the Land Commission, of the Governors' Conference, and of the National Conservation Commission, all in favor of western development through wise legislation intended to promote the development of the West by private enterprise, and at the same time to protect that development against monopolistic control.

DECLARATIONS OF PARTY PLATFORMS.

Both parties have recognized this public opinion, the Republican Party by the following expression:

We indorse the movement inaugurated by the administration for the conservation of the natural resources. We approve of measures to prevent the waste of timber. We commend the work now going on for the reclamation of arid lands, and reaffirm the Republican policy of the

free distribution of the available areas of the public domain to the landless settler. No obligation of the future is more insistent and none will result in greater blessings to posterity.

And the Democratic Party by an utterance even more clear and distinct, as follows:

We repeat the demand for internal development and for the conservation of our natural resources contained in previous platforms, the enforcement of which Mr. Roosevelt has vainly sought from a reluctant party; and to that end we insist upon the preservation, protection, and replacement of needed forests, the preservation of the public domain for home seekers, the protection of the natural resources in timber, coal, iron, and oil against monopolistic control, the development of our waterways for navigation and every other useful purpose, including the irrigation of arid lands, the reclamation of swamp lands, the clarification of streams, the development of water power, and the preservation of electric power generated by this natural force from the control of monopoly; and to such end we urge the exercise of all powers, national, State, and municipal, both separately and in cooperation.

Congress is to-day ready to pass measures upon these subjects, and yet practically nothing has been done beyond the authority to the President to withdraw public lands pending the action of Congress. The fault, therefore, lies with the Public Lands Committee, which thus far has not been able to settle the contest between the two contending lines of thought to which I have referred, namely, one that the public domain should be turned over, practically without conditions, to private interests for development, and the other that the surface of the land should be preserved for the home seekers, and that the natural resources in timber, coal, oil, phosphates, and in water power should be turned over to private enterprise for development under restrictions that will compel reasonable prices and prevent monopolistic control.

The time is now near at hand when if the Public Lands Committee does not make specific reports upon measures affecting these questions it will be necessary for the Senate to take them up by direct action through an instruction to the Public Lands Committee to report, either with or without recommendation, and thus allowing the entire subject to be considered in the open Senate.

THE DEVELOPMENT OF ALASKA.

We all know that Alaska is not being developed as it should be, and the friends of conservation are charged with delaying its development. What do the friends of conservation demand regarding Alaska? Not that its resources should be locked up. On the contrary, they insist that they should be opened up and developed. They simply protest against the archaic land laws which prevent the development of her natural resources and insist upon legislation that will secure such development.

This question must be considered in the large. It involves the question of harbors, the question of railroads from these harbors to the Yukon River with a view to the transportation of coal, copper, and other minerals, as well as of supplies; and it involves also laws which will permit the acquisition, either under grant or lease, of sufficient coal land and land containing other minerals to warrant their development.

It has been impossible in Alaska, under existing law, to get together enough coal land in private ownership or under private control to warrant its development and the construction of the transportation system necessary for it. The result has been that in order to meet the economic requirements of the situation men have been compelled to evade the land laws in order to get possession and control of a sufficient area of land to warrant its development, hence these frauds upon the land laws, which arose out of economic necessity, but which have been the result of unwise and improvident laws.

Mr. POINDEXTER. Mr. President—

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Washington?

Mr. NEWLANDS. I yield to the Senator.

Mr. POINDEXTER. Is the Senator aware that, under the existing law, 16 claims of 160 acres each can be consolidated? And does the Senator, in view of that condition of the law, claim that that is not a sufficient amount of coal land to justify development? Under the law of 1908 something like 2,560 acres may be combined under one ownership. Of course the law prohibits a combination in the entry of the claims in the first instance, but it allows, after title has been secured, the combining of as many as 16 claims.

Mr. NEWLANDS. I am aware that the rigidity of the old land laws with reference to coal lands has been somewhat relaxed by recent legislation, but, in my judgment, not sufficiently relaxed. I do not believe that the combination of 16 claims of 160 acres each of coal land in many of the regions of this country will warrant a company in incurring the great expense connected with opening up and developing such lands, and the provision which guards against combination before entry is obstructive of the organization, the capitalization, and the unity of purpose necessary to a great enterprise. It may

in some exceptional cases, but I do not believe it would in Alaska, for there it is necessary to construct a railroad under conditions of exceptional difficulty, there being but two passes through which such a railroad can be constructed, accompanied by engineering difficulties which make the cost one of colossal proportions. So satisfied am I that the proper development of Alaska can not be secured without the proper development of a transportation system that, whilst I am as a general proposition opposed to Government ownership and construction of railroad systems, I would think that the exigency of the situation and the development of Alaska warrants the construction of a railroad from the coast to the Yukon River by the National Government, with a view to equality of opportunity to all who seek to develop the mineral resources of that region. I would enter upon that work just as willingly as the Government enters to-day upon the construction of a wagon road in that Territory, or as it has been engaged for years in the construction of telegraph lines in that Territory; for we all know that the United States Government has constructed and is now operating through the Signal Corps of the Army a large mileage of telegraph lines in the Territory of Alaska.

Having thus secured proper transportation, we would then present the proper opportunity for the development of that region by the brain and the energy and the enterprise of Americans; but even then it will be necessary for us to shape laws that will meet the economic requirements of that country, that will enable a sufficient area of land to be secured by one control to permit of full and economical development, accompanied by provisions that will prevent injurious monopolies.

Such measures have been presented in the shape of provisions for leases and provisions for royalty, which would retain in the United States the ultimate control of these natural resources, in order to prevent extortion and monopoly and at the same time encourage private enterprise. There is no difficulty whatever in the situation if the Senate and the House of Representatives will meet the situation in the spirit that animates the American people upon this subject. Public opinion has been made up. You find it expressed in party platforms everywhere; you find it expressed in the meetings of commercial congresses, of irrigation congresses, of water congresses throughout the country, and you hardly hear an expression to the contrary. This is an illustration of the apathy and inertia of Congress, in its legislation always far behind public opinion, so chained by tradition and precedent and courtesy and committee tyranny that the people are unable to obtain the legislation which they desire and in favor of which they have expressed their demand.

PROGRESSIVE LEGISLATION NEEDED.

Mr. President, in the legislative program which I presented at the commencement of the extra session I called for immediate consideration, among other things, of legislation relating to the conservation policy. We have been in session for four months, the Public Lands Committee has been practically unemployed during that entire period, and there is no reason why this subject should not have been taken up and disposed of.

It is true that during the present session the Senate has disposed of six of the questions with reference to which action was called for by the program to which I have referred, namely, the reciprocity treaty, the free list, the reduction of excessive duties in the wool, cotton, and steel schedules, the publicity of campaign expenditures, the popular election of United States Senators, and the admission of Arizona and New Mexico.

I trust that the remaining questions called for by this program, relating to the physical valuation of railroads, the creation of an interstate trade commission, the protection of bank depositors and the prevention of bank panics, the cooperation of the Nation with the States in river regulation, the construction of an auxiliary navy, and the protection of our natural resources in timber, coal, iron, and oil against monopolistic control, will be taken up early in the regular session and placed by a distinct legislative program on the road to final legislation.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CRAWFORD] to the amendment of the committee, which the Secretary will again state.

The SECRETARY. After the word "Chamberlain," in line 2, it is proposed to insert "Bellefourche."

The amendment to the amendment was agreed to.

Mr. POINDEXTER. I move to amend the bill by inserting, after the word "Wyoming," the words "in the former Spokane Indian Reservation in the State of Washington."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. After the word "Wyoming," it is proposed to insert the words "in the former Spokane Indian Reservation in the State of Washington."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The VICE PRESIDENT. The bill is in the Senate and open to amendment.

Mr. McCUMBER. I move to insert the word "Minot," so that that district in North Dakota will be included.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. After the word "Dickinson," it is proposed to insert the word "Minot."

The amendment was agreed to.

Mr. GRONNA. I move to insert the word "Williston."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. After the word "Minot," it is proposed to insert the word "Williston."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC LANDS FOR COLORADO.

Mr. GUGGENHEIM. I am directed by the Committee on Public Lands, to which was referred the joint resolution (S. J. Res. 34) providing for additional lands for Colorado under the provisions of the Carey Act, to report it favorably without amendment, and I submit a report (No. 110) thereon. As it is a short measure, I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Colorado?

Mr. POMERENE. Mr. President, I had given notice yesterday that I would object to the consideration of matters of this kind. I do not want to be discourteous at all, but I should like an opportunity to bring up the resolution to which I referred yesterday, if it can be done at this morning's session.

The VICE PRESIDENT. Does the Senator from Ohio object to the present consideration of the joint resolution?

Mr. GUGGENHEIM. The joint resolution is a very short one, and I trust the Senator will withhold his objection. It is not new legislation, and I do not think it will lead to any discussion.

Mr. POMERENE. May I ask whether it will take much time?

Mr. GUGGENHEIM. But a few minutes, I hope. If it should lead to discussion, I will withdraw it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution. It provides that an additional 1,000,000 acres of arid lands within the State of Colorado be made available and subject to the terms of section 4 of an act of Congress entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes," approved August 18, 1894, and by amendments thereto, and that the State of Colorado be allowed, under the provisions of those acts, the additional area, or so much thereof as may be necessary for the purposes and under the provisions of those acts.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EX-SOLDIERS IN EMPLOY OF SENATE.

The VICE PRESIDENT. Morning business is closed. The Chair lays before the Senate a resolution coming over from a previous day, which the Secretary will state.

The Secretary read the resolution (S. Res. 111), submitted by Mr. POINDEXTER on the 24th instant, as follows:

Resolved, That Senate resolution 72, of July 14, 1911, be amended by inserting after the word "War," in the fourth line thereof, the words "and the War with Spain."

The VICE PRESIDENT. Without objection, the resolution will be referred to the Committee on Rules.

THE STANDARD OIL AND THE AMERICAN TOBACCO COS.

Mr. POMERENE. Mr. President, I desire to call up Senate concurrent resolution No. 4.

The VICE PRESIDENT. Without objection, the Chair lays before the Senate a resolution, which the Secretary will state.

The SECRETARY. Table Calendar No. 8, Senate concurrent resolution No. 4, a resolution instructing the Attorney General of the United States to prosecute the Standard Oil Co. and the American Tobacco Co.

Mr. POMERENE. Mr. President, some days ago I discussed at some length my reasons for presenting this resolution. Briefly, it recites the substance of the decisions of the Supreme Court in the case against the Standard Oil Co. and the American Tobacco Co., and recites the fact that they were found to have violated sections 1 and 2 of the Sherman antitrust law.

The resolution further recites that, if this be true, they are amenable to the penalties provided under criminal prosecution. The resolution further recites that no criminal prosecutions have been begun, declares it to be the sense of the Senate that criminal prosecutions should be begun, and instructs the Attorney General to begin them where the evidence may justify.

I should not have introduced this resolution if I had not felt that for many years—in fact, ever since the enactment of the Sherman antitrust law—the Standard Oil Co. had been persistently and continuously violating the sections of the statute referred to. The same may be said of the American Tobacco Co. ever since its first organization.

The Standard Oil Co., by a formal decree of the supreme court of the State of Ohio in 1897, was found to have violated the common law of the land, and was then operating under a trust agreement which was in violation of the common law and in violation of the powers which had been conferred upon the Standard Oil Co. by the franchise which had been given it by the State of Ohio.

Mr. President, if it were not for the fact that the highest court of the land had made a finding based on the overwhelming weight of the testimony which was submitted to it in the records in these two cases, I would not have presumed to have offered this resolution.

But what course is open to the authorities when the Supreme Court says that by the overwhelming weight of the testimony these criminal sections of the statute have been violated? What justification can there be on behalf of the Department of Justice for not beginning these prosecutions? I am not here to find fault with what that department has done in so far as the civil prosecutions are concerned. The department is entitled to all credit in that behalf. But the American people do not understand, they can not understand, why there should be no criminal prosecutions against these defendants, while the department is vigilant in the prosecutions of minor cases.

Mr. President, in order that we may have a slight view of the methods which have been resorted to, I am going to ask the indulgence of the Senate while I read extracts from a letter on this very subject that came to me on Monday from a man whose name I am not now at liberty to give, but whom I have known for at least 10 years as an honorable business man. He says:

Permit me to give you some pointers of the criminal character of the American Tobacco Co. I am personally 40 years in the tobacco business.

Then he speaks of his firm having to dissolve "12 years ago, after establishing itself to a high credit mark of \$100,000."

Twenty-four other firms here went under during the same time. Some were driven to suicide, some to insane asylums; some went finally to their graves broken hearted, and most of them went through bankruptcy. From the 24 firms which were here in the year 1880 there is not one left.

He afterwards reorganized his firm and worked up a very successful business, "and kept 500 hands steadily busy—"

But the trust came here, started temporary factories, imitated our best salable brands, and ruined our business to a standstill. They took our traveling men from us and picked up our trade with all criminal inducements, until we had to go into liquidation. I am now of an advanced age, with a high cultured and educated family on my hands, hardly able to cope with present conditions."

I do not know what excuse can be made for a failure to prosecute criminals who have been conducting their business under these methods.

It has been hinted that there is no precedent for action of this character by the Senate or by the House. I need only refer on this phase of the case to a resolution which was passed by the Senate and House April 30, 1908, known as Senate resolution No. 48, entitled "A joint resolution instructing the Attorney General to institute certain suits, and so forth." I read just the first portion of the resolution:

Resolved, etc. That the Attorney General of the United States be, and he hereby is, authorized and directed to institute and prosecute any and all suits in equity, actions at law, and other proceedings which he may deem adequate and appropriate to enforce any and all rights and remedies of the United States of America in any manner arising or growing out of or pertaining to either or any of the following-described acts of Congress.

Mr. President, what objection can there be to this? Daily we are passing statutes requiring certain duties of the executive department and of the judiciary department. It is not contended for one minute that this resolution shall have the force and effect of law. Its force is rather of a moral character. It seems to me that there ought not to be any objection, even technical, on the part of the Department of Justice to the consideration of the resolution. If it is right, it ought to be adopted; if it is wrong, it ought to be defeated.

In one of the most learned discussions of constitutional law which has taken place in this body in many years—I refer to the discussion of the interstate-commerce law of, perhaps, five

or six years ago—the question arose whether Congress had the right to restrict the authority of the courts to grant injunctions in matters which had been passed upon by the Interstate Commerce Commission, and after a very learned discussion it was concluded that that power did prevail. It seems to me that it only requires that we pause for a moment and the correctness of that position will be at once recognized. The power to create implies the power to destroy and also the power to put limitations upon the authority which a court may exercise.

The law was passed, providing, in part, the conditions upon which injunctions should be granted in cases involving the acts of the Interstate Commerce Commission. By the statute which was then passed the power to regulate and control the courts in certain matters was recognized. If, then, the power be recognized to control or to regulate the terms and conditions upon which an injunction may be granted by the court, pray tell me why we can not direct action by an official of the executive department who is at the same time an official in the Department of Justice?

Mr. President, it is my desire that this resolution shall either be adopted or that it shall be defeated. I have understood that an effort would be made to have it referred. If there was any question about the facts in this case, that course might be proper. If there was any question as to the law in the case, that course might be proper. But it does seem to me, in the face of the adjudications of these matters in the civil cases, there ought not to be any question in the mind of Senators.

I realize that I have pretty positive convictions upon this subject, but it appears to me that there ought not to be in this Government one rule to control one class of citizens and another rule for another class.

I therefore ask that the resolution be placed before the Senate for passage.

Mr. CLARK of Wyoming. Mr. President, notwithstanding the argument of the Senator from Ohio, I myself have doubts not only as to the propriety but as to the authority of Congress by resolution to direct specific action by the executive department. The Senator from Ohio cites a case where the Congress of the United States sought to point out the procedure as to injunctions. The Senator, of course, would not follow that up to the conclusion which he reaches in this case; that is, he would not contend for a moment that the Congress of the United States should indicate to the courts whether an injunction should be granted or whether it should not.

Because of my views upon this matter, Mr. President, I move that the resolution be referred to the Committee on the Judiciary.

Mr. CULBERSON. Mr. President, I suggest the absence of a quorum in view of that motion.

The PRESIDING OFFICER (Mr. NELSON in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon	Clark, Wyo.	McCumber	Reed
Banhead	Crane	Martin, Va.	Root
Borah	Culberson	Martine, N. J.	Shively
Bourne	Cummins	Myers	Smith, Mich.
Bradley	Davis	Nelson	Smoot
Brandegee	Dixon	Nixon	Stephenson
Briggs	Foster	O'Gorman	Stuberland
Bristow	Gronna	Oliver	Swanson
Brown	Guggenheim	Owen	Taylor
Bryan	Heyburn	Page	Thornton
Burnham	Johnson, Me.	Paynter	Townsend
Burton	Kenyon	Penrose	Warren
Chamberlain	La Follette	Perkins	Wetmore
Chilton	Lippitt	Poindexter	Williams
Clapp	Lodge	Pomerene	Works

Mr. BRYAN. My colleague [Mr. FLETCHER] is absent on business of the Senate.

Mr. TAYLOR. My colleague [Mr. LEA] is absent on account of illness.

Mr. CHILTON. My colleague [Mr. WATSON] is unavoidably detained from the Senate.

Mr. PAGE. I wish to announce the necessary absence of my colleague [Mr. DILLINGHAM] in attendance upon the Lorimer investigating committee. I make the announcement for the day.

I was also requested to announce that the Senator from Alabama [Mr. JOHNSTON] is in attendance on the Lorimer investigating committee, and will be absent during the day.

Mr. POINDEXTER. I desire to make the same announcement as that just made, in reference to my colleague [Mr. JONES], who is in attendance on the Lorimer investigation.

The PRESIDING OFFICER. Sixty Senators have answered to their names. A quorum is present. The question is on the motion of the Senator from Wyoming [Mr. CLARK] to refer the resolution under consideration to the Committee on the Judiciary.

Mr. BORAH. Mr. President, before voting upon this resolution, I desire to say a word in explanation of my vote and the

measure. Being a member of the Judiciary Committee, I would naturally, I presume, be expected to support a motion sending it to the Judiciary Committee.

It was suggested a few days ago, when this matter was up for discussion, that the resolution might be construed as a criticism or reflection upon the Department of Justice. I do not see why the resolution should be so construed. I do not myself vote for it with that idea in mind, but for another reason.

I am aware that it is difficult sometimes and technically objectionable for a legislative body to instruct an executive officer with reference to this class of duties, and that it is difficult to know precisely when such instruction should be given. But I support the resolution, Mr. President, because it suggests a policy, in my judgment, upon the part of the Government and outlines and suggests the position of Congress with reference to that policy. Technically the resolution is objectionable, but I am not willing on account of this technicality to forego an opportunity to declare a policy.

I do not believe that we have ever derived any practical benefit, so far as the masses of the people are concerned, from any of the prosecutions which have been had under the Sherman antitrust law. I say that not from a partisan standpoint, as in my judgment the declaration covers the period covered by the administrations of the two different political parties. We have had lawsuits which as lawsuits have been well conducted and eminently successful, and I presume that, so far as that feature of the matter is concerned, no one would feel like criticizing the action of the department. But outside of the success of the lawsuit as a lawsuit, as a scholastic proposition to determine and settle some particular construction of the statute, it would be very difficult for anyone to determine what real benefit has been derived from these lawsuits to the masses of American people and what has been accomplished in the way of controlling or circumscribing the power of the corporations or combines which we have been prosecuting.

What substantial measure of benefit has been derived thus far by reason of any action upon the part of the Government under the Sherman law? If we go back to the first litigation, which was had some 18 years ago, when the statute was first construed under the Trans-Missouri freight cases and the joint traffic freight cases, we find that, while the Government was successful in its contention before the courts, undoubtedly the precise thing which the parties in interest sought to accomplish was accomplished after the decisions were rendered.

Take the Northern Securities case. I presume it would be admitted from a legal standpoint that those who were desirous of forming the Northern Securities Co. and operating the two or three railroads through that company which they desired thus to operate, accomplished what they desired to accomplish, so far as making charges for freights and the cost of transportation were concerned, in another way.

Mr. President, it has been about 20 years since the enactment of the Sherman law. It was enacted for the purpose of preventing these large combines and trusts and for the purpose of controlling, to some extent, from a national standpoint, contracts and monopolies which would affect interstate trade. The law when it was enacted provided four simple, specific, and complete remedies or methods of procedure. First of all was the injunctive process, by which the Government was given authority to enjoin the formation of such a combine as would be supposed or threatened to be in restraint of trade or a monopoly. The second remedy was that of criminal prosecution for forming or maintaining these combines. The third was the seizure of property in transit; and the fourth was the dissolution of the combine or the monopoly under a decree.

These four simple, specific, direct, and complete remedies were placed in the law 20 years ago. The Government was given unlimited power to check the formation of these monopolies and combines, to punish them after they were found to be in existence, to seize their property when found in the channels of interstate trade, and to dissolve them when it could have the facts with which to proceed.

As I said, it was some 20 years ago when this law with these drastic remedies was placed upon the statute book; and yet, Mr. President, everyone knows that the last 20 years, which have marked the period that this law was upon the statute book have been in the 20 years in which the most remarkable progress has been made by these combinations, in which they have pushed out further than ever before and exercised their jurisdiction in more marvelous ways than ever conceived of before, and not an embarrassment, so far as their ultimate success was concerned, has been placed upon them, although this simple, effective, and drastic law has been upon the statute book during all that time.

We have, in other words, not even restrained the process of formation, and one of the most effective methods found in the law has been practically ignored. Everyone will remember when one of the greatest combinations that we know to exist, exercising a greater jurisdiction in the industrial and financial world than any other corporation or combine in the world, before it was formed advertised in the newspapers for weeks and months ahead that it was going to be formed, and the details to a remarkable extent were given. It was known before the corporation charter was filed and the combines were made that this powerful combination with \$700,000,000 of watered stock, supported by the most marvelous banking combine in the world, was going into existence with this law prohibiting it and giving the Government the power to restrain its formation. Notwithstanding the fact that this information was at hand and the remedy known and provided for, notwithstanding the details of the facts to a remarkable extent were laid before the people, the means which were provided for under the law of enjoining its formation were not invoked, and the statute was permitted to remain a dead letter during the time of the formation of this corporation, which has now apparently passed beyond the control of the Government of the United States. A corporation or those promoting it notifies the people in defiance of the law that it would be formed, as to how it would be formed, the extent of its power, has proceeded in the face of the statute, and to-day exercises a most marvelous power in the financial world, in the political world, and in the industrial world, and, if I mistake not, places the stamp of approval or of disapproval upon many an act of legislation in the Congress of the United States. While you are stripping the farm and the farmer the steel schedule remains untouched and sacred.

Either the Sherman law is a failure, wrong in contemplation of law and inexpedient as an economic proposition, or there has been the most remarkable trifling with the execution of the law that has ever been noted since law was placed upon the statute books to be regarded and obeyed by man. What is the result? Some have been of late criticizing the decision of the Supreme Court in the Standard Oil and the Tobacco cases. Mr. President, let us put aside for a moment the question of whether or not the Supreme Court read into the statute a word not placed there by Congress when it said that only "unreasonable restraint" could be inhibited or prohibited or punished; let us put aside the technical proposition as to the construction of the statute and view this statute as it is now construed, with the power under it which the court concedes to be there; and are we ready as a Congress, as a Government, to say that all contracts, monopolies, or combines in unreasonable restraint of trade shall be punished, prohibited, dissolved? In other words, are we prepared to say that the construction of the statute as established—although there might be a controversy as to the proper construction—are we prepared to say, as a Government, that thus, as it is construed, it shall be enforced?

I think it the bounden duty of the Government to do one of two things: To test to the limit its capacity, its power, to enforce this statute or to take it off the statute books and begin to devise some other method to control these corporations. It is certain that for the 20 years it has been on the statute book they have prospered and thrived as they never before did. It has been either due to a deficiency of the law or to its inefficiency of enforcement.

I shall vote for this resolution, therefore, in order to suggest that the Government exhaust all remedies and all powers under this statute to see whether or not it can control or restrain or dissolve, not contracts or combinations in reasonable restraint of trade, but, as we have it now, contracts or combinations in unreasonable restraint of trade, about which there is no controversy among lawyers or laymen.

One of the difficulties which we encounter to-day in controlling these corporations arises from the long delay which we have experienced in enforcing the law. It is a most difficult thing to dissolve a powerful organization after it has extended its power and its influence, especially in a business way, to almost every channel of trade, without bringing on wreck and disaster, which we hesitate to bring on under any conditions or under any circumstances. When the Government, with full notice, watched the formation of the Steel Trust it was practically an approval of its acts.

For instance, what are we going to do, Mr. President, with the carrying into effect of the decree in the tobacco case? It presents a solution which would interest any legal mind, in my judgment, if it would undertake to delve down into that decree and ascertain how, as a practical proposition, we are going to execute that decree and execute it in a way to be of any benefit to the American people. The chief law officer of the Government—and in this I am not criticizing—says that that company

will nevertheless be resolved into three or four or five corporations. Well, Mr. President, suppose the parent tobacco company were resolved into three or four corporations, what would be the difference, so far as the people are concerned, between the existence of one monopoly and four monopolies?

Mr. REED. All directed by one mind.

Mr. BORAH. I thank the Senator from Missouri. What would be the difference if one corporation had control of the cigarette business, another of the smoking-tobacco business, another of the chewing-tobacco business, and another of licorice, and they were all in existence? Who would make them compete or give to the American people any particle of benefit from the dissolution of one corporation into four? It would result, Mr. President, in precisely what happened after the Northern Securities case was decided. They would proceed to do in another way that which they were not permitted to do as a matter of convenience to them in the way which they first chose.

I do not know, I am not myself convinced, that the Sherman law will ever furnish a sufficient or an efficient remedy for this condition of affairs. In my humble judgment, we shall have to add to it to a remarkable extent in order to enable us to receive any benefit from the Sherman law. But one thing must be certain, Mr. President, and that is, if we proceed year after year to have these lawsuits and then just as soon as a decree of the court is entered we run up a white flag and say that the Government is not going to run amuck, which is an invitation for them to proceed, but to proceed with caution, to keep their head under the water, just so long as we pursue that course the Sherman law becomes an artificial piece of legalized hypocrisy behind which they are waging their depredations upon the American public.

We must either proceed to enjoin when we have notice of their formation and punish when we have notice of their existence, to confiscate their property when we find it in transit in violation of the law, to dissolve the corporations, to put them in the hands of receivers, and to wipe them out of existence, and not break them up like a joint snake, that they make come back after the enemy has left the scene, or else we are going to find that the Sherman antitrust law is a delusion and a snare.

I shall vote for this resolution, Mr. President, in order that the American Congress may declare its policy for a full and complete and efficient enforcement of every clause and provision of the Sherman antitrust law, and that, if we find it is necessary, we may set ourselves about in a reasonable length of time to provide an efficient and economical means by which to control these great combinations. Legitimate business is entitled not only to protection, but it is entitled to be relieved from the vague presumption now existing that all "large business" is criminal. On the other hand, if the law is not enforced universally against those who violate it, and enforced effectually, it is far better that we repeal the law and adopt some certain method of regulation which will enable legitimate business to proceed in confidence and certainty. If we have indeed passed from the age of competition to the age of regulation and control, which I am very much inclined to believe, let us prepare for it. Perhaps one of the methods of preparation is to test out all the remedies of the Sherman law to see what relief, if any, lies in that direction.

Mr. REED. Mr. President, I want to add a word to what has been said by the Senator from Ohio [Mr. POMERENE] and the Senator from Idaho [Mr. BORAH]. In nothing that I say do I wish to deal unjustly with any officer of the Government.

The Senator from Idaho has clearly expressed the absolute failure of any decision or of all the decisions of all of the courts to give any real relief from the exactions of the trusts. Their march has not been arrested, or even seriously interfered with. The Sherman antitrust act denounces as criminal certain acts. It provides pains and penalties, which, so far as fines are concerned, are largely within the discretion of the court. I know that any criticism of courts is naturally resented in this body and by the American people. I do not wish to place myself in the category with men who assail our judicial tribunals. I know that in the last analysis the court of justice is the temple of American liberty. I know the respect and the almost reverence in which the decisions of our courts should be held; and yet, Mr. President, we can not, as practical and sensible men, escape the knowledge and acknowledgment of the fact that courts, particularly in the application of punishment, are controlled in a large measure by the public conviction or opinion as to the enormity of the acts committed.

The judges of courts are but human beings. They are lawyers who have been selected from the bar. We like to believe that they are of the best class of lawyers, and frequently they are; but they are nevertheless simply men placed in high

judicial position. I believe that it is our duty, representing the American people in this body, to express our views with reference to the enforcement of the Sherman law.

Mr. President, it is a singular thing that a man may steal a horse worth not more than \$10, and in every State in this Union every court having jurisdiction is willing to send, and does send, the man proven guilty to the penitentiary for a term of years. You can go into the Federal courts of this land and see men who have bought \$5 worth of copper pipe in order to set up in their own homes a miserable little still, out of which they produce "white mule" whisky that is not even a commercial article, lined up before the judge, and sentenced to imprisonment and the payment of heavy fines. You can see men who have used the mails for the purpose of perpetrating some fraud, out of which a few hundred or a few thousand dollars has been made, not only fined thousands of dollars, but also locked behind the walls of penitentiaries. You can observe men who have been bankers, and who have, in the stress and struggle and battle of great financial disaster, overreached the mark, believing that they would be able to weather the storm, likewise incarcerated behind prison walls. All this you can see.

The arm of the law is potential, and the hand of power is reached out to grasp the offender. But if a set of men organize a combination, if they do so in the face and teeth of the statute, if they deliberately employ lawyers and instruct them to construct a scheme so cunning as to baffle justice and escape detection, if they do all this with the letter of the law laid before them and with full knowledge of its import, if pursuant to their criminal purposes they gather into their coffers millions of dollars of profits, you can then in any Federal court behold the spectacle of that class of criminals being treated with a consideration which at once indicates they are regarded as composing a special and select variety of criminals. They are placed upon a basis of respectability which distinguishes them from ordinary breakers of the law.

Sir, I put this proposition before you and before Senators who are here: It has been solemnly adjudged that a corporation organized in restraint of trade has prosecuted its nefarious business for 20 long years; it has been condemned not only by one court but by many courts as an organized crime. Finally the day of judgment comes, and this record is solemnly written by the Supreme Court of the United States, first, that it is criminal; second, that it has been criminal for 20 years; third, that it was conceived in crime and brought forth in iniquity. Then the decree solemnly recites that You will have six months more in which to quit violating the law. A penalty is laid which is not a pittance of its profits for one month of time—that does not represent its unlawfully gained wealth for one day of its existence. How long will it take to stop combinations if you say to those who combine: Well and good, make your combination, and after you have made millions by violating the law, if you are so unfortunate as to be caught, we will fine you about one-tenth of 1 per cent of your profits and give you six months' time in which to evolve a new scheme of loot?

You do not deal with the ordinary criminal in that way; you do not deal with the ordinary violator of the law so generously. The trouble is, save one notable exception, the man has not yet held judicial office in the United States who has been able to look a thousand million dollars in the face and not flinch.

Let me read to you from this morning's paper. A lot of wealthy men got together and evolved a scheme of corporate loot. They did it with the statutes of the United States Government lying before them. They did it with eyes open and with ears well attuned to the truth. They made many thousands of dollars of profit—how much I can not say, although if it is possible to ascertain it, I intend to do so. They were finally, after a long period of profit-making, brought to the bar of justice.

Now, behold, this is heralded as a victory for the law. This is painted as a picture of splendid achievement. This is the result which we are told is at once a vindication of the law and the majesty and might of our courts. I read from the Washington Herald of this morning:

Wire men fined for violations of Sherman Act; 37 indicted officials appear in court; 47 remain; other members of combine may fight their cases.

The headlines read well, Mr. President. They sound like a proclamation of victory, a declaration of the law's invincible force. But let us read on down:

Thirty-seven of the 84 wire manufacturers and their employees who were indicted by the grand jury here on June 29 on the charge of combining in nine pools to the restraint of trade in the wire business entered pleas of nolo contendere before Judge Archbold, in the criminal branch of the United States circuit court to-day, and were fined \$1,000 each on the initial count and \$100 on every additional count in the indictments.

The total amount of the fines imposed is \$42,700, and of this sum \$21,000 was paid to Commissioner Shields before he closed his office for the night.

Mr. President, I am not advised by this article what the aggregate capital of those concerns was, but I apprehend that it ran high into the millions. I am not advised as to the amount of profits that they had made, but it is a safe statement that their illegal profits had mounted to an enormous sum. Now, when they are detected, they are fined the miserable pittance of \$1,000 each.

A man who deliberately conspired against the law, upon whom a fine of \$1,000 would rest as lightly as a fine of 5 cents would rest upon the ordinary man, is let off with a fine of \$1,000. A fine of \$500 would be levied on the poor, ragged, half-educated fellow who made whisky illicitly; a penitentiary sentence would be visited upon the man who stole from a Government reservation a broncho worth \$30; a term in the penitentiary would be imposed upon the banker who had hoped to float his concern, but who had failed, and had accepted a deposit of \$10 when the institution was in a failing condition. But when nine great concerns combine to rob the American public, when with their eyes open to all the facts and with full knowledge of the law they make this combination to place in their pockets hundreds of thousands or even millions of dollars, the great penalty is laid of a fine of a thousand dollars apiece. I say, sirs, that as long as we enforce the law in that way we might as well have no law. If you will, say to the men who are willing to conspire to rob the public, "Well and good! Organize your conspiracy, pursue your unholy calling, levy your tribute in every home, thrust your dishonest hands into every pocket, take out millions, and in the end we will fine you a thousand dollars and soundly lecture you into the bargain." So long as you do that a fine amounts to no more than a license, a little tribute collected by the law, a little sop to popular discontent, a legal farce enacted to amuse the wise and satisfy the foolish.

Mr. President, I am for this resolution; and I am for putting some vitality and life into this law, and in that the Senate of the United States has its part to play.

Mr. WORKS. Mr. President, I am quite in sympathy with what was so forcibly said by the distinguished Senator from Idaho [Mr. BORAH]. I believe thoroughly in the vigorous prosecution of cases of this kind, not only against the corporations, but against the individuals. Notwithstanding that fact, I am opposed to this resolution for two reasons.

In the first place, I am a firm believer in maintaining the independence of the several departments of the Government. Whether justly or unjustly, great complaint has been made of late of the encroachments of another department of this Government upon the affairs and business of this body. We ought to be consistent about matters of this kind. If we are complaining about the fact that some other department is interfering with the affairs of his body, we should be careful not to do the same thing ourselves with respect to other independent departments of the Government.

The power to prosecute these cases rests with the Department of Justice. The responsibility for their prosecution or non-prosecution rests with that branch of the Government. If the Senate of the United States proposes to interfere with these prosecutions, it ought at least to take upon itself the responsibility that it apparently assumes, but in fact does not assume, by this resolution. That is another objection I have to it, that the resolution itself is entirely ineffectual, as it is presented for consideration. The resolution provides—

First. That it is the sense of the Senate and of the House of Representatives that criminal prosecutions should be begun against any or all of said parties or persons who shall have, in the opinion of the Attorney General, violated the criminal provisions of said statute.

Now, one of two things must be true, Mr. President. We are either saying that the Department of Justice has violated its duty by failing to prosecute when the opinion on its part does exist that the law has been violated, or we are simply leaving the responsibility and the power just exactly where it is now, namely, in the opinion and judgment of the Attorney General. We are either attempting to interfere not only with the power but with the discretion and judgment of that department of the Government, or we are taking the responsibility of saying that the Department of Justice has violated its duty, and has failed to prosecute these cases when, in its opinion, the law has been violated.

For my part I should desire to do one of two things, either leave this power and responsibility where it is, or have the courage of our convictions and say that we believe these prosecutions should be instituted and carried on, and therefore give positive instructions that that thing should be done. We are not doing either the one or the other. We simply leave it, as

I have said, to the opinion of the Attorney General as to whether these prosecutions shall be instituted or not.

The second part of the resolution is just as bad, if not worse. It is as follows:

Second. That the Attorney General of the United States be, and he is hereby, instructed to institute criminal prosecutions against said parties or persons for said violations—

If the resolution had stopped there, and if the Senate was willing to take the responsibility of ordering these prosecutions to be instituted, the resolution would be unobjectionable. But it goes on—

If any, where the evidence, in the opinion of the Attorney General, shall justify such proceedings.

Just exactly the same criticism may be passed upon this resolution. It still leaves it to the judgment and discretion of the Attorney General, and simply says to him "if in your judgment these prosecutions should be commenced, then commence them."

It seems to me that if we are going to do anything about this matter, we should, at least, do something that would be effectual. If we are going to say that these prosecutions shall be instituted and carried on, let us say so and have the courage of our convictions. But it is idle to pass a resolution of this kind, which, in my judgment, means absolutely nothing.

Mr. SUTHERLAND. Mr. President, I quite agree with everything which the Senator from California [Mr. WORKS] has so well said. When this Government of ours was divided into three distinct departments it was in order that the exercise of their respective functions might be independent of one another; and, to my mind, it is quite as unseemly for the Senate of the United States, or for the Congress of the United States, to undertake to direct the executive department of the Government to institute a particular prosecution as it would be for the Attorney General to send us a communication directing us to pass some particular law.

The executive department has no business, except in the way in which the Constitution itself provides, to instruct Congress as to its duty of legislation; and Congress has no business to instruct one of the other departments of the Government as to what it shall do, except in the manner pointed out by the Constitution.

When the Congress of the United States has passed a law denouncing certain acts as crimes, that itself constitutes a direction to the Attorney General and to the law officers of the Government to prosecute anybody and everybody who is guilty of violating the statute. That is the only way in which we can in a seemly and decent manner, as it seems to me, instruct the executive officers—by the statutes which we make. We have passed a statute declaring that when individuals or corporations have done certain acts they are guilty of criminal offenses, and that of itself is a direction to the Attorney General, whenever in his opinion anybody, any corporation, or any individual has violated the statute, to institute a prosecution.

Mr. President, either this resolution ought not to have been introduced and ought not to be passed or it should have been a far stronger resolution, and presented in another body. If the Attorney General has evidence and believes that individuals are violating the statutes of the United States, it is his sworn and solemn duty to bring prosecutions; and if he culpably fails to do it, the remedy is the institution of impeachment proceedings by the other House and a trial by this body.

Mr. BORAH. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Idaho?

Mr. SUTHERLAND. Certainly.

Mr. BORAH. Has the Senator from Utah any doubt that these corporations have violated the law?

Mr. SUTHERLAND. They have violated the law, certainly; and the Supreme Court has passed upon that question.

Mr. BORAH. Has the Senator any doubt from the decisions in the tobacco case that they violated the criminal provision of the statute?

Mr. SUTHERLAND. Probably they have, but that, to my mind, is wholly aside from the question. I may have no doubt that some other individual has committed a crime. I may be quite certain that some individual has committed a murder, in violation of some statute of the United States, and still I would consider it an unseemly thing to introduce a resolution in Congress directing the Attorney General to institute a prosecution against that person for that crime.

Mr. BORAH. What I was trying to get at, by ascertaining the opinion of the Senator from Utah as to the violation of the law, was that we might indirectly arrive at the opinion of any reasonable man who might read that record, and that would apply to the Department of Justice as well as to everyone else.

Mr. SUTHERLAND. That, to my mind, is not the question here. The question is not whether I may be certain, or whether

the Senator from Idaho may be certain about it. I am speaking about what seems to me—and I use the expression with all due respect to the Senator who introduced the resolution—to be the improper character of a resolution directing the executive department to institute a prosecution under the statute in a particular case.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from California?

Mr. SUTHERLAND. I do.

Mr. WORKS. I should like to ask the Senator from Idaho, if this resolution is to be dependent upon the opinion of Senators here, why is the resolution so worded as to leave it to the opinion and judgment of the Attorney General?

Mr. BORAH. Does the Senator ask me the question?

Mr. WORKS. Yes.

Mr. BORAH. I suppose it is out of courtesy to the Attorney General.

Mr. SUTHERLAND. It seems to me there would have been a great deal more courtesy in leaving the whole matter to the Attorney General. It is to be supposed, and I am myself quite sure, that if in the opinion of the Attorney General either the people who are mentioned, or anybody else, have been guilty of violating the statute a prosecution will be instituted.

Mr. President, it is but a step from this sort of a resolution to another, which seemed to be foreshadowed in the suggestion made by the Senator from Missouri [Mr. REED]. He reads from an article in the public press that certain persons charged with violating the statute have pleaded guilty or have entered a plea of *nolo contendere*, and he complains that they have been subjected to a fine which he considers unreasonably low. If the Senator thinks that, and if this resolution is to be passed, then we may expect a resolution directing the court that may try these people to fine them a certain amount or to imprison them for a certain term if they are convicted. Would the Senator from Missouri think that was a seemly thing for the Senate or for Congress to do?

Mr. REED. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Missouri?

Mr. SUTHERLAND. I do.

Mr. REED. I am absolutely in favor of that kind of a resolution, but I want it passed in the form of a law, so that the courts will be compelled to assess and enforce adequate penalties.

Mr. SUTHERLAND. Ah, the Senator—

Mr. REED. But I do not think—

Mr. SUTHERLAND. The Senator would be quite within his right.

Mr. REED. Certainly; I know that.

Mr. SUTHERLAND. And it would be quite within the rights of Congress to do that. But would the Senator be in favor of passing a resolution directing the court that tries these men mentioned in this resolution, if they are found guilty, to impose the maximum penalty upon them?

Mr. REED. Oh, no. I arose for the very purpose of saying that the Senator from Utah was not justified in putting that construction on anything I had said. But what I did say was that I favored this resolution, and I take it that the Attorney General of the United States does not occupy the same position as the courts, or the same relation to this branch of the Government, that the courts occupy to this branch of the Government.

Mr. SUTHERLAND. No; not quite the same position, but the difference is one of degree. The Attorney General belongs to one department of the Government and the Senate of the United States belongs to another department of the Government. The Senate of the United States may pass a law declaring a general rule and that in effect directs the Attorney General when anybody has violated that general rule to institute proceedings. I undertake to say that in my judgment, at least, it is entirely aside from any right of Congress to direct the Attorney General to institute a prosecution against any particular individual or any particular corporation or any particular number of individuals or corporations. That is no part of its function; that is not the exercise of the legislative power at all.

The VICE PRESIDENT. Will the Senator from Utah suspend for a moment? The hour of 2 o'clock having arrived, the Chair will lay before the Senate the unfinished business, which is House bill 11019.

Mr. SUTHERLAND. I have finished what I had to say.

The VICE PRESIDENT. The resolution of the Senator from Ohio will go to the calendar with the pending question on the motion to refer.

TARIFF DUTIES ON WOOL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11019) to reduce the duties on wool and manufactures of wool.

Mr. SMITH of Michigan. Mr. President, apropos of the pending bill, I simply desire to say a word and to have read from the desk a letter from the Tariff Board upon the question of their investigation of the present wool industry. I desire to say by way of preface that the incessant agitation during the last year for a revision of this schedule of the Payne tariff law has already cost the people \$100,000,000. Seventy-five per cent of this loss has fallen upon labor.

To again destroy through tariff revision the American sheep industry and place the people under the disadvantage of buying our supply of this article from foreigners in the face of the enormous reduction in the wool product of the world is certain to force our people to the payment of higher prices for clothing and dearer prices for mutton in the not distant future, when the sheep of our farmers have been sacrificed in the open market of the world as they were under the free-trade laws of the last Democratic administration of President Cleveland, when our flocks became so unprofitable to their owners that in many instances they were sold for 50 cents a head and butchered by the thousands.

What there is about the American sheep to excite the hostility of our friends upon the other side of the Chamber baffles my comprehension. Our Democratic friends have a consistent and historic hatred of the American sheep which annually manifests itself toward the most inoffensive and lovable of the farmers' herds, and this undue haste to get at them now is little less than criminal, and I protest against it as unwise and unfair to the sheep owners of our country.

Senators were loud in their demands for a Tariff Board at the last session of Congress. The board has been created and are busy with their task. I have asked them how they are progressing and have received a reply which I ask the Secretary to read.

The VICE PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

WASHINGTON, D. C., July 24, 1911.

The TARIFF BOARD,

Treasury Department Building, Washington, D. C.

DEAR SIR: Will you kindly inform me what work has been done by your board to ascertain from practical investigation the present status of the American wool and woolen trade, and whether you are now prepared to make any specific recommendation for a change in the customs laws and regulations touching this branch of American industry? You know the Senate is about to vote upon this matter, and a prompt reply to this inquiry will be greatly appreciated.

Very respectfully,

WILLIAM ALDEN SMITH.

THE TARIFF BOARD,

Treasury Building, Washington, July 25, 1911.

HON. WILLIAM ALDEN SMITH,

United States Senate.

DEAR SIR: I beg to acknowledge your letter of July 24, asking what work has been done by the Tariff Board to ascertain, from practical investigation, the present status of the American wool and woolen trade, and whether we are now prepared to make any specific recommendations.

I beg to say that the board is now in the midst of an investigation into the subject of woolgrowing and wool manufacture in this country and the leading competing countries of the world and is collecting on a large scale original data regarding relative prices, wages, labor efficiency, and cost of production. This investigation was planned last year, with a view of reporting to the President at the opening of the first regular session of Congress in December of this year.

In view of the fact that new information is received daily from our agents, both in this country and abroad, and is being tabulated as rapidly as possible, we are unable to report results until all of this material has been considered. It will inevitably take several months more to complete this work. We shall, however, report to the President on Schedule K not later than the first Monday in December, 1911.

Very truly, yours,

HENRY C. EMERY, Chairman.

Mr. MYERS. Mr. President, I gave notice that at this time I would make some remarks on the pending measure. I have cheerfully agreed to yield to the Senator from Michigan [Mr. TOWNSEND], who wishes to make a few remarks on the same measure, if I can have the privilege of following him.

Mr. TOWNSEND. Mr. President, I wish to thank the Senator from Montana [Mr. MYERS] for the courtesy he has extended in yielding me a little time now. I assure the Senator and the Senate that I will not abuse that courtesy with a lengthy speech.

I desire at this time to state briefly my attitude on the propositions now pending before the Senate having as their object a revision of the tariff, and at the outset I will say that I am a firm believer in the cardinal doctrine of my party, viz, a duty on imports coming into the United States and which compete with articles which can and ought to be produced here, equal in amount to the reasonable difference in the cost of production

abroad and in this country; and therefore I desire to know the fact of what that difference is. I voted for the Payne tariff bill after exhausting every right and power I had to amend it as to me seemed necessary in order to make it conform to the aforesaid principle; and I so voted for two reasons: First, it was an improvement on the Dingley law, which the evolution of business had made inharmonious with present-day needs. It was, in my judgment, as good a law as could be reasonably expected, having been framed under the old method of revising the tariff. There were many protests against some provisions of all the schedules, but a majority had to be obtained to pass any bill, and the time-honored, but I hope now dishonored, custom of logrolling obtained. If the protestants to that measure had obtained their desires there would have been another class of objectors. Under the old method neglected local and special interests have produced insurgents against tariff revision, and any one of these groups is about as good as another. It was wise, in my judgment, to enact some measure and thus settle the business disturbance which tariff revision always causes, especially when it is made according to past methods. And, secondly, I voted for the Payne bill because it contained a provision, faulty in some particulars, but distinctly progressive in principle, viz, it provided for a Tariff Board, which should be composed of high-grade, well-qualified experts, whose business it should be to investigate the cost of production abroad and at home, and when the facts were disclosed and they showed any schedule of the tariff to be founded on any principle other than the difference in such cost of production, the Congress could by the aid of such facts proceed to revise such schedule, and that without undue and unnecessary disturbance to the business of the country.

I supposed such was to be the policy, at least, of Republicans. I went before the people of Michigan and declared that doctrine. I believe that the people approved it. I now feel that it would be a serious mistake, both politically and industrially, to return to the old methods of revision and in a special session of Congress, in a few days, without hearings and with practically no discussion, and with the Tariff Commission assiduously and intelligently at work securing facts for a report which can not be presented before December; I feel, I say, that it would be a mistake under these conditions to proceed to revise the most complex and far-reaching schedules of the tariff. Does anyone doubt that the logrolling process is to be employed if revision occurs now? What other interpretation can be placed upon the well-founded rumors of secret meetings and attempts at combinations? Are the men who are most strenuous for present revision actuated by the pure and sole motive of benefiting the people? Is it not clear that politics is the mainspring which moves to action now? Will anyone doubt that some Senators are more interested in embarrassing the President than they are in righting tariff wrongs—

Mr. GRONNA. Mr. President—

Mr. TOWNSEND. That some of our Democratic friends are absolutely sincere when their words and actions show that they are looking for political capital?

The VICE PRESIDENT. Will the Senator from Michigan yield to the Senator from North Dakota?

Mr. TOWNSEND. With pleasure.

Mr. GRONNA. I should like to have the Senator from Michigan name the Senators he refers to.

Mr. TOWNSEND. Oh, I do not believe I ought to do that.

The VICE PRESIDENT. The Senator should not do it, under the rule.

Mr. CLAPP. Mr. President, I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Minnesota will state it.

Mr. CLAPP. Should the Senator have made a reference which, under the rules, he is precluded from specializing?

The VICE PRESIDENT. No; not a reference that reflects on any Senator.

Mr. TOWNSEND. I made no reference to any Senator. Senators are unduly sensitive, it seems to me. I simply asked the question if anybody doubted that such are the facts. If the Senator has doubts, he can incorporate them in the Record with such expressions as he chooses to use.

Mr. CLAPP. I want to assure the Senator that for one I am not at all sensitive. On the other hand, I wish to say, so far as parliamentary usage and law will permit, that I think the Senator's statement is absolutely unwarranted. I do not myself believe that any Senator upon either side of this Chamber wants to frame a tariff bill for the purpose of embarrassing the President of the United States. I am sorry that the Senator has that view of the purpose and motive of his associates.

Mr. TOWNSEND. I am endeavoring, Mr. President, to present to the Senate and to the country some of the views and impressions which have come to me and which, I submit, have occurred to many other Senators and have been given somewhat free expression in many of the papers of the country.

Is this the time and occasion to project hasty and ill-considered tariff legislation upon the country?

I submit, Mr. President, that the people's interests should be of greater importance to statesmen than personal ambitions, or than party success even. I am as ready as any Member of this Senate to proceed to an intelligent revision of any schedule of the tariff when the facts, scientifically and impartially obtained, disclose the need of revision; and so far as the wool schedule is concerned, those facts will be in our hands next December. They can not be obtained before.

I have never heard a Senator on this floor claim that the Tariff Board is incompetent or in any manner unfit. It is doing great work, and we should have the benefit of it before we proceed. The Congress has appropriated \$475,000 for this work, and much of it has been expended. I do not believe that all the egotism of the fathers of pending bills and proposed amendments will allow them to claim that they have all the facts necessary for a complete and satisfactory revision of the tariff. If revision occurs now, it unquestionably will be most imperfect when viewed in the light which will be cast by the Tariff Board. Will we revise again in December, or will we leave it imperfect and thus furnish the material for further business disturbance? Either thing would be a calamity. I know that some tariff provisions are inequitable, or at least I think I do, although I would hesitate long before I changed a schedule on my present information. I want the fullest and most reliable information possible. Ignorance and logrolling have been most powerful influences affecting tariff making in the past. Shall we still permit these things to prevail, or shall we do as the country expects us to do, namely, act upon the apportionment and statehood bills and then go home and await the report of the Tariff Board before revising the tariff?

In December Senators will have become cooler; passion and prejudice will have subsided, at least in a measure, and reason and good judgment will have resumed their sway. The defeat of tariff bills at this session will not mean the postponement of desirable tariff revision. On the contrary, it will mean a revision a few months later which will be sane and satisfactory. No man will have occasion to say that I have hesitated to vote against any duty which is clearly shown to be higher than is sufficient to measure the difference in cost of production here and abroad, when such duty is considered by the Senate in the light of facts produced by honest, disinterested, and scientific men.

Why is this undue haste to revise the tariff? It would have waited until December if this extra session had not been called, and no one would have suggested the reconvening of Congress to act upon it. Are Senators afraid to have the facts upon which to base revision disclosed? The country is not. It is praying for relief from the politicians. It asks that tariff laws be scientifically made and that its business be no longer the ball with which men play the game of politics.

Personally, I shall try to keep the faith pledged to the people last fall and shall vote against all hasty, ill-considered tariff legislation by whomsoever proposed at this short session, but I will join hands at the very earliest date with those believers in a revision of all schedules which the facts shall disclose as inharmonious with a tariff which approximately measures the difference in cost of production here and abroad.

What I propose is the wise and logical course for Senators who believe in the principles of a protective tariff to pursue. It will mean an honest, proper adjustment of such a tariff to the needs of the country. It will receive the indorsement of all thoughtful men and will win for the Senate the respect and confidence of American industry.

Mr. MYERS. Mr. President, I desire to submit some remarks before a vote may be had upon the pending measure, the House wool bill. As a general rule, I am a believer in the custom, supposed to be more or less prevalent, of new Members of this body, for a time after having taken their seats herein and until they shall have learned something of the methods of procedure and of the matters under consideration, refraining from active participation in the debates and proceedings of this body. As a rule, subject to some exceptions, I believe there is good reason for such a custom. As a rule, to which there are exceptions—of which I am not one—I believe that new and younger Members of this body, especially those who have not served in the other branch of Congress and who have had no experience in national politics, upon coming here generally have

much to learn about national legislation. I know I had upon my advent into this body and still have much to learn; and I will have much to learn and hope to continue to learn during the entirety of my six-year term of service in this body. Hitherto I have been quite content to remain quiet in this body and to undertake to learn from more experienced and wiser Members something of matters at issue and methods of procedure, and I would prefer to continue for a much longer time so to do. I would not ask at this time to be heard were it not that I feel that conditions of a personal nature demand it and make it appropriate.

My object in now speaking is to explain my motives in casting what might appear to some to be contradictory votes. I desire to give my reason for the vote that on the 21st day of last month I cast upon the motion made by the Senator from Oklahoma [Mr. GORE] to require the Senate Finance Committee to report the House wool bill back to the Senate not later than July 10, 1911; and to give my reasons for the vote that I shall cast on the House wool bill when put upon its final passage, if it may reach that stage, in this body. I believe in the fullest and freest interchange amongst the Members of this body of statements of their motives in voting upon public questions. I want my fellow Senators to fully understand my motives in the casting of every vote that I may cast in this body. I want my constituents to fully understand my motives in the casting of every vote that I may cast in this body. I have nothing of motive to conceal from my fellow Senators. I want them to understand my motives. They may disapprove of my judgment, but I would have their respect for and confidence in my motives. I have nothing of motive to conceal from my constituents. I not only want my constituents to understand my motives, but it is due them that I make known to them the motives of my every act here. They are entitled to know. I am the servant of my constituents and they are entitled to the fullest amount of light upon my conduct here.

As my remarks will involve more or less statement of motive, they will necessarily be, I regret to say, largely of a personal nature; in fact will be, in part, somewhat in the nature of speaking to a question of personal privilege. I am averse to injecting self into remarks made here. Generally speaking, I believe that remarks delivered on the floor of this Chamber should be in the nature of impersonal discussion of issues and principles. However, I recognize that there are times when the exigencies of the occasion require some remarks more or less of a personal nature, and this I deem to be one of those occasions. I trust that this may be the last occasion that I may ever have to inject self into remarks made upon the floor of this Chamber.

As is well known, on the 21st day of last month, when the motion of the Senator from Oklahoma [Mr. GORE] to require the Senate Finance Committee to report the House wool bill back to the Senate not later than July 10, 1911, was put to a vote, I voted against the motion, and I was the only Democrat in this body who did so. I will give my reason therefor.

Upon my election, without my solicitation, to this body, I announced that I would at all times during my term of service here endeavor to give fair consideration and justice to every legitimate industry of the State of Montana or of the nation. I also announced that I would stand for the rule of the people and against the rule of special interests. I did not, and I do not now, consider those two declarations inconsistent. Woolgrowing is one of the principal industries of Montana. Montana is the leading woolgrowing State of the Union. In the production of wool it leads all of the States and Territories. Montana has within its borders more sheep than has any other State or any Territory in the Union. According to the last report of the Census Bureau, in 1910 there were in Montana 4,978,963 sheep. I am told that the woolgrowing industry of Montana represents investments of \$45,000,000. I simply state facts. No deduction should therefrom be drawn that I favor giving that industry any more than justice or any undue advantage, or giving it anything at the expense of the people.

On the 29th day of March, 1911, a committee of well-known gentlemen and business men of Montana, each engaged in the woolgrowing business, gentlemen whom I esteem to be upright and honorable men, men of probity and standing, comprising both Democrats and Republicans, boarded in Montana the train on which I was traveling en route to this city, and thereon had an interview of several hours' duration with me. They being my constituents and the representatives of a legitimate industry, I was entirely willing to be consulted by them, and I have no apology for the interview. They did not ask me to vote to retain the present duty, or any particular duty, or any duty at all, on wool. In fact, they did not seek to elicit my views on that proposition. They made no argument to me for a protective tariff on wool. They did not seek to influence my views

on that subject. They admitted that a revision of the woolen tariff schedule would probably be sooner or later undertaken by the Sixty-second Congress and that it might result in some reduction of the duty on raw wool.

One of their number indicated that, at a proper time and upon a proper showing, there might well be, in some particulars, a readjustment of the woolen tariff schedule. He stated that in Schedule K, the present woolen tariff schedule, there were certain phases of inequality that operated to the detriment of the woolgrower and that should be corrected. However, they stated that they wanted to avoid continual tampering, tinkering, and agitation, as such depressed the price of wool and had a depressing effect upon the business and kept wool buyers in a state of uncertainty. They stated that if there should be a revision by the Sixty-second Congress of the woolen tariff schedule, they wanted it to be a final and permanent revision, or at least to be the last for many years, in order to avoid continual tampering, tinkering, agitation, unrest, and uncertainty. They further stated that, should a revision of the woolen tariff schedule be undertaken by the Sixty-second Congress, they not only wanted it to be a final and permanent revision, but they desired that it be not undertaken until after a full, fair, complete, and thorough hearing could be had and until they could have time in which to make a complete showing of their contentions. They claimed that before a revision of the woolen tariff schedule should be undertaken they were entitled to a fair and complete hearing, to time and opportunity in which to make a showing before the final judgment of Congress should be passed upon them. They claimed that this could best be done through the nonpartisan Tariff Board, by authority of Congress appointed by the President, then and now engaged in that work. They stated that the report of that board would be made in November of this year, and would be before Congress when it should convene in regular session in December of this year. They claimed that through the Tariff Board report they could shed additional light upon the subject of the woolen tariff and upon the woolgrowing industry in all of its phases, its cost and profits in this and all foreign countries, and the relative positions and rights of the woolgrower and the woolen manufacturer. They claimed that the report of the Tariff Board would show certain phases of inequality of Schedule K and the necessity for the correction thereof.

In other words, they claimed the right, as representatives of a legitimate industry, to a complete showing and a fair hearing before ultimate judgment should be by Congress pronounced upon them, and that this could best be done through the medium of the Tariff Board report. They claimed that the whole matter of the woolen tariff schedule had been relegated by the last Congress to a Tariff Board, with the understanding that the Tariff Board should fully and completely investigate the woolgrowing industry in all of its phases, and any inequalities or unjust features of the woolen tariff schedule, and make its report thereon to this, the Sixty-second, Congress next November, before the convening of the regular session thereof in December; and they claimed that, in good faith, they should be allowed to make their showing and present their evidence to the Tariff Board, which, they said, occupied the position of a referee in the case. They claimed that they had been led in good faith to believe that such would be done, and that, in good faith, it should be done.

In conclusion, they made but one request of me: That I oppose the taking up and consideration, for revision, of the duty on raw wool—raw wool only—(no request about manufactured woolen products) at this special session of Congress, and that I favor putting over any revision of the duty on raw wool—raw wool only—until the next regular session of this Congress, to convene next December, in order that they might, meantime, have an opportunity to make a full and complete showing and have a fair hearing at the hands of the Tariff Board, the referee, which is even now at work in my State, taking evidence and inspecting books and records, before Congress should pass final judgment upon them.

I would make clear two distinctions: First, they made no request as to manufactured woolen goods, their request being only in relation to the duty on raw wool, their own product; secondly, they did not seek to elicit from me any pledge or promise as to what my vote would ultimately be upon the merits of the question of a revision of the duty on wool or woolen goods. They did not seek from me any pledge or promise as to how I would vote when a bill for the revision of the duty on wool should be put upon its final passage in the Senate. They did not seek to influence my vote or views upon the merits of the matter. They asked for a slight concession of time only—a short time, a few months—before final judgment of Congress upon a great question. They did not state it

as a dilatory plea, for time only. They gave as a reason for their request their statement that they could within those few months of time make a complete showing and have a fair hearing, and without it that they could not do so. Their request was only for a short extension of time in which to prepare for trial; not as to how I should pass judgment at the trial. I believe in reasonable time for preparation for a hearing; reasonable time in which to have a fair hearing, whether it be to labor or to capital. I have always believed in the right of every litigant, whether the poorest individual or the richest corporation, to adequate time in which to prepare for hearing and to have a fair hearing before the pronouncing of judgment. Inherently, I do not believe in railroading justice, whether it be to labor or to capital.

The request of the gentlemen for a slight concession of time only—a few months—at the time and under the circumstances, appeared to me to be fair and reasonable. They could not have asked less and have asked anything. Whether prudently or imprudently, I promised to grant their request. I promised to oppose the taking up for revision of the duty on raw wool—raw wool only—at this special session of Congress and to favor postponing the consideration thereof until next December, just as it now appears likely that the revision of the duties on cotton, sugar, steel, iron, and other leading schedules will go over to next December, with the aid and consent, possibly, of Democratic votes.

I did not consider, and I do not now consider, that my disposition to grant to the woolgrowers of Montana and, in fact, to every legitimate industry of Montana or of the nation, a fair hearing was inconsistent with my stand for the rule of the people. If my inclination to grant to the woolgrowers of Montana reasonable time in which to make a showing and to have a fair hearing before judgment should be pronounced upon them led me to be too liberal and to promise too much time, it was at most an error of judgment on my part and not an intentional departure from my principle that the people must rule. On that proposition I bow to the superior wisdom of this body. However, if in the opinion of this body I erred in my judgment, I assume that I am not the only man who ever erred in judgment. Doubtless there are living abler men than I, who have erred in judgment. Doubtless Abraham Lincoln, George B. McClellan, Gen. Grant, Gen. Lee, Stonewall Jackson, Napoleon Bonaparte at times erred in judgment. Even newspapers may sometimes err. At least one eminent Democratic authority claims that every Democratic Representative who voted in the House caucus for the House wool bill made a mistake.

We now find plenty of whittlers on dry goods boxes who can tell all about the grave mistakes of Lee and Jackson, the inefficiency of McClellan, the lamentable blunders of Lincoln and Grant, all about how the Confederacy could have succeeded, all about how the Union could have been saved in one-fourth of the time and with one-tenth of the bloodshed that it cost to save it. I sometimes wonder if some of those possessors of superior wisdom had then been alive and in charge of the Confederate Armies and if others of them had then been alive and in charge of the Union Armies what the result of the Civil War would have been. The Confederate Armies would certainly have been invincible and the Union Armies would as certainly have been irresistible, and I am curious to know what would happen if an invincible force should come in contact with an irresistible force. My belief is that there was only one perfect man who ever lived—unless it be my critics—and he was the Great Teacher, who had the greatest charity for the shortcomings of others.

Having, prudently or imprudently, made this promise to the woolgrowers of my State to favor a slight concession of time before the passing of final judgment, when the Senator from Oklahoma [Mr. GORE], whose ability, wisdom, and patriotism I highly esteem, on the 21st day of last month made his motion to require the Senate Finance Committee to almost immediately report to this body for its consideration the House wool bill, I was confronted with the dilemma of voting against my party associates in this body or of breaking my word, and I did not for an instant hesitate as to what course to pursue. I kept my word. I consider my word as good in politics as in business. I put it above every other consideration, regardless of the consequences, political or otherwise, to me. I make it an inviolable rule to keep my word, whether doing so be popular or unpopular.

Having kept my word in opposing the almost immediate consideration of revision of the duty on raw wool, and the Senate having decreed that revision of the duty on raw wool would be considered at this special session, I was inclined to think that I had by my vote against consideration thereof at this

special session fully discharged my promise, and that I was then free to vote in accordance with my convictions upon the question of the final passage of the House wool bill; and I had intended to communicate, before the bill should come before the Senate for final passage, with the gentlemen to whom I made my promise, and to ascertain if they did not view my promise in the same light. Before I could do so, and the next day after the vote on the Gore motion, without my solicitation, I received from the Montana Woolgrowers' Association a voluntary telegram entirely releasing and absolving me from any further obligation under my promise. Thus any doubt that might have existed about further obligation under my promise was removed by the voluntary action of the Montana Woolgrowers' Association. It has been charged in Montana that this release came in response to an expressed desire therefor on my part. That is not correct. I had not before receiving it expressed any desire to be released. I had intended to communicate, as to the extent of my promise, with the gentlemen to whom it was made, but the release was wholly voluntary and came without any communication or expression of desire from me. In thus acting the gentlemen to whom I made that promise have shown that they are upright and honorable gentlemen, who would scorn to "trap" anybody, and that they only want what they believe to be right and just.

As I have indicated, I have been criticized for my conduct by a few newspapers that assume to speak for the Democratic Party of Montana, and, strange to say, I have been criticized more upon the keeping of my promise than upon the making thereof. Immediately after my arrival last April in Washington City, without any desire for concealment, my promise to the woolgrowers of Montana to favor postponement for a few months of revision of the duty on raw wool was, with my assent, by newspaper correspondents, made public in Montana; yet the making of that promise elicited but scant comment, while the keeping thereof brought forth much criticism, carrying therewith much misstatement of fact.

In comment upon the vote had in the Senate on the Gore motion, reference being made to "the votes of the Montana Senators on the Underwood wool bill, a measure to reduce the tariff on raw wool 50 per cent," it has been published in Montana that I was "the only Democrat to vote with the Republican regulars against reduction." I beg leave to say that upon that occasion I did not vote against the reduction of the tariff on wool. Upon that occasion the question before the Senate and which was voted upon was not, "Shall the tariff on wool be reduced?" The Underwood wool bill was not before the Senate for passage. The question then before the Senate was a preliminary one, not connected with the merits of the bill. It was: "Shall the Underwood wool bill be reported to the Senate for consideration within a few days?" I voted against the almost immediate reporting and consideration of the bill. I voted that the Senate Finance Committee be allowed longer time in which to consider it and that it be reported and acted upon at a later day.

Reference is made to an alleged promise of mine to the woolgrowers at the Miles City conference last winter "to oppose a reduction in the woolen schedule." I was never in my life in Miles City. I was not at any conference of woolgrowers last winter. I never promised any woolgrowers to oppose a reduction in the woolen schedule. I only promised to favor putting the consideration thereof over to December, in order that, as claimed, whether correctly or not, further light might be had upon the proposition. I never promised any woolgrowers how I would vote whenever the question of the revision of the duty on wool should be before the Senate. It was always my intention, with such light as I had upon the subject, whenever the question of a revision of the woolen tariff schedule should come before the Senate, to vote either for free raw wool or for some reduction in the duty on raw wool. The only matter about which I was ever in doubt was as to whether we should at once have free raw wool, as advocated by at least one eminent Democratic authority, or only a reduction, for the present, of the duty on raw wool, as advocated by the Democratic House leaders; and, if the latter, then as to how much of a reduction. It was upon those questions that I thought perhaps further light might be justly had before the passing of final judgment. When such distinguished doctors disagree, is it any wonder that a less learned person may feel that a little further time might possibly shed further light upon contentions so stoutly waged?

Other criticism upon the occasion of the keeping of my word was most scornful and contemptuous, and from a source that I little suspected of harboring such feelings against me. Yet this same source of criticism ought to know full well as anybody in Montana that I always keep my word in politics, no matter how disagreeable to me the results thereof may be; no matter

if it bare my breast to the most scorching criticism and bring down upon my head the most bitter condemnation; no matter if it be utterly destructive of my political future and cast me into the political scrap heap. I once retired from Montana politics, and my retirement was not wholly from choice. I will again retire whenever remaining in politics shall involve the breaking of my word.

It now appears quite likely that revision of the cotton, sugar, steel, iron, and other important schedules will go over until December. Have there been any scorching editorials in Montana against the proposition of permitting revision of cotton, sugar, steel, and iron to go over to December? Not any. Will there be any? I think not. To let revision of cotton, sugar, steel, iron (not produced largely or not produced at all in Montana), and other necessary articles used by the people go over to December would appear, according to my critics, to be orthodox and holy; but a suggestion to let the revision of wool, one of Montana's leading products, now being investigated by the Tariff Board, go over until December is treason—that is, when I suggest it.

Mr. President, so much by way of explanation as to why I voted against the Gore motion. I will now make some remarks in regard to my vote to be cast upon the pending measure, the House wool bill, now and for the first time upon its merits before the Senate for final passage.

Feeling that I have discharged my promise, as well as having been released therefrom, I am now at liberty to vote according to my convictions upon the House wool bill. I intend to vote for the House wool bill. So far as I now have light, it is in accordance with my convictions, my principles, my politics, and my party. I do not believe in always putting party above every other consideration. I do not believe in putting party above right. I do not believe the sole test of a faithful legislator to be that he always vote in accord with his party. I do not believe that test to be the sole test of efficient public service, but I do believe in political parties. I am a Democrat and I am in accord with the political principles of my party. I believe the Democratic Party to be right upon the issues of the day, or I would not belong to it. I am a Democrat from conviction, and I believe in voting with my party when it is right and when vital political principles are at issue. I am a tariff revisionist. I believe in a tariff for revenue only, for the purposes of a government economically administered.

In my opinion tariff protection per se is radically wrong in principle and is legalized robbery.

It is said that the word "tariff" comes from one Tariff, a Moor, who held forth in the eighth century at Tariffa, a place in Spain, and who is said to have been a robber and to have forcibly exacted of merchants and tradesmen, passing his way, a toll, as the price of passing on in peace. Thus the word "tariff" is said to have originated in robbery and bears the name of a robber, who levied the first tariff. Hence, the expression: "The robber tariff." Of course, revenue must be raised, and, in the language of the illustrious John G. Carlisle:

A tariff for necessary revenue is a legitimate tax; but a tariff for protection is robbery.

In my opinion, protection breeds trusts. I believe protection to be the chief cause of trusts; and trusts produce millionaires and paupers. Trusts stifle competition and cause hundreds of thousands to work in sweatshops at starvation wages. Protection causes an unjust distribution of wealth; unjust distribution of the products of labor.

I favor a more just distribution of wealth, a more just distribution of the products of labor, than exist under our trust-protecting System. I am for a downward revision of the entire tariff system. So far as I now have light, I intend to vote, when afforded an opportunity, at a proper time and in a proper manner, for a reduction of the duties on cotton, sugar, steel, iron, manufactured products, and all other articles of necessity used by the masses of the people. I could not consistently vote for a reduction of all of those duties and yet vote to retain the present protective duty on raw wool and woolen manufactured articles. I do not believe in protecting home products just because they are home products. I do not believe in giving home products an undue advantage over other products. In so doing there would be no principle. I do not believe in levying tribute, exacting bounty, even for home products. With a reduction of the tariff duties upon all other articles in use by the masses of the people, I believe that the reduction of the duty on raw wool, provided for in this bill, will not be unjust or harmful to woolgrowers. So far as I have light, I believe, under those circumstances, it will leave them as well off as now.

Whether we should have free wool or not is not now the question. The Democrats of this Congress have decreed that that issue shall not come before this Congress at this special session. The only question now is: Shall raw wool and woolen manu-

factured articles stand their proportionate share of tariff reduction along with the other reductions that the Democrats of this Congress purpose making? I believe, with the light at hand, the House wool bill to be a fair and just measure to the woolgrowers as well as, at present, the consumers. I am confirmed in this belief by the fact that an esteemed Republican Member of this body, a protectionist and a woolen manufacturer, the Senator from Utah [Mr. Smoot], has himself offered in this body a substitute for the pending House wool bill, which, while it does not provide for so much reduction of duty upon woolen manufactures as does the House wool bill, does provide for material reductions; in some instances, I am informed, as much as 50 per cent of present duties. I understand it will be generally supported by the Republican Senators. It seems to me that this is a significant acknowledgment from a protection source that some reduction may be justly made.

I am further confirmed in this belief by the fact that the Democratic House Members from woolgrowing States and districts who generally, as I understand, opposed revision of the woolen tariff schedule at this time, as I did, voted, with one exception, for the House wool bill when put upon its final passage in the House. The three Democratic Representatives from Colorado, a woolgrowing State and a neighbor State of Montana, in the beginning, as I am informed, opposed, as I did, starting in at this time upon wool as the beginning of tariff revision. Yet, when the House wool bill was put upon its final passage in the House, they all voted for it, believing it to be, if followed by other and general reductions, a fair adjustment. I understand they have been supported in their attitude by the entire Democratic press of their State.

Not only do I intend to vote for the House wool bill, but I intend to vote against adjournment of this special session until we shall have voted upon revision of the cotton, sugar, steel, iron, and all other tariffs upon articles of necessity used by the masses of the people. I favor not only the House wool bill but I favor a general tariff revision at this special session of Congress. I favor remaining here until we shall have voted upon reductions of the tariff duties upon all of the leading articles of consumption, and until we shall have had a vote upon revision of all of the leading tariff schedules, and until that time I shall vote an emphatic "no" upon the question of sine die adjournment of this special session.

It has been decreed that we shall take up for consideration and vote upon at this special session the revision of the woolen-tariff schedule, and in that decree I acquiesce. But, since we are to consider revision of the woolen schedule, why end there? Why let revision of the cotton, sugar, steel, iron, and other schedules go over to December? Can anybody give a valid reason therefor? The only reason that I have heard given therefor is that of the personal comfort of the Members of this body. Is that a good reason? Why is it that the weather has not been too hot to decide to vote on woolen revision, and then will suddenly become too hot to remain here and vote on revision of cotton, sugar, steel, and iron? What mysterious thermometrical changes are we to have immediately after the vote upon the House wool bill?

Not only will I vote to remain here at our post of duty to revise all of the leading tariff schedules, but I will vote to remain here until we shall have voted upon measures for physical valuation of railroads, efficient amendment of the antitrust laws, regulation of interstate corporations (the latter now advocated by the honorable Attorney General of these United States), and upon all other matters of remedial legislation needed by the people. If there be remedial legislation needed now by the people, why put off granting it until December? When remedial legislation is needed by the people, I have adopted as my political motto: "Do it now." Why put it off? Will any Democratic or progressive Republican Member of this body say that, after the House wool bill shall have been voted upon, the great masses of the toiling people of this country will need no further remedial legislation? Will there then be on our statutes no class legislation, no legislation in favor of predatory interests, no legislation in favor of special interests which will need amending, repealing, or new legislation? We are here to serve the people. The people are our masters, and so long as the people need remedial legislation we should be ever ready to consider and enact it. The plea of personal comfort is not a valid plea. We were not elected to legislate only when the weather may be comfortable. We are not paid our salaries to remain here, in session, only when the weather may be comfortable. Our duty to the people exists just as much in hot weather as in cold weather. Even so, we are more comfortable here and we have here more of the luxuries of life, with electric fans, iced mineral waters, easy chairs and couches, comfortable offices and cloakrooms, pages and messengers, than the

millions of toiling masses in sweat shops, factories, and fields. They toil on in the hottest of weather, under the burdens and unjust conditions imposed upon them. Why should we, because the weather is warm, refuse to remain here and render to them the services due them and expected of us?

I shall vote to remain here so long as the people need legislation, so long as there are wrongs that need righting, so long as there are subjects that may with profit be legislated upon. Why put it off until next winter? Do not the Democrats and progressive Republicans of this body admit that the people are suffering evils which need legislative correction? They may control the actions of this body, if they but will. Then, why not stand to our post of duty and show that we are faithful servants? I have even heard staunch Republicans, termed regulars, admit on the floor of this Senate, at this special session, that there are phases of the present tariff law that need readjustment, regulation, overhauling, and revision, and that the same will likely be done next winter.

If needed now, I ask why wait until next winter? The House of Representatives, I hear, is willing to remain here at its post of duty much longer. Why should the Senators desert their post of duty when there is work to be done? Should the Senators not be as close to the people as are the Members of the House? Should the Senators not be as solicitous of the welfare of the people as are the House Members? Is it possible that the fact that House Members are elected for shorter terms and serve for only two years at a term makes them more solicitous about the welfare of the people? There is no doubt that there is abroad amongst the people popular distrust of the United States Senate. May the Senate not, in large measure, remove that distrust by remaining here at its post of duty so long as the people are in need of remedial legislation? I know full well there are more experienced, abler, and wiser Members of this body than I—doubtless all of the others are—but it seems to me that these propositions are so patent that they are not susceptible of refutation, and that they should appeal to the reason of everyone. I would not object to a short recess next month, as proposed by the Senator from Nevada [Mr. NEWLANDS], but I would much prefer to keep steadily at our duty without intermission.

It may be that there are certain interests that want adjournment of this special session. But are there any interests superior to those of the people? Are we here to serve the interests or the people? It may be that the trusts want adjournment. It may be that the trusts recently dissolved by decrees of the United States Supreme Court want adjournment. But were we elected to serve the trusts or to serve the people? Are we the servants of the trusts or of the people? Are we to march under the banner of predatory wealth or the banner of the people? Has anybody heard a demand from the masses of the people that we adjourn immediately after the taking of the vote upon the revision of the woolen schedule? I have not. There is no demand from the masses of the people for adjournment until our work shall have been accomplished. Why end with wool? Why not remain here and next take up the cotton schedule, and then, one after another, in succession, the remaining tariff schedules that need revising? Why now revise wool and not cotton? The woolgrowers were given no time for a hearing. Why make flesh of one and fish of the other? In undertaking the tariff revision of wool, the revision of the duty on one of the principal products of the North is undertaken. Let us be fair, and then undertake the revision of the duty on one of the leading products of the South.

No; after voting upon revision of the woolen schedule much will yet remain to be done in the interest of the people. Not only will remain revision of other tariff schedules, but there are pending in this body bills to amend the antitrust laws, in the interest of the people, in the interest of trade and competition, so as to make those laws efficient in both civil cases and criminal prosecutions; so as to make it possible to put violators of antitrust laws behind the bars, where they belong. Why let those bills lie dormant until next winter? I say, if the antitrust laws need amending, so as to prevent "reasonable" oppression of the people, let us amend them now, so that trusts may not reorganize and proceed with "reasonable" robbery of the people. If a man were sick and in need of medicine, would you give it to him now or wait until next winter? At the last election the people said they were sick, of Republicanitis, and needed medicine. Congress is the doctor. Will you give it now or wait until next winter?

I say, let us do those things now, and do them promptly, without unnecessary prolongation or delay. Is it any wonder that the people exhibit impatience with the United States Senate? Is it any wonder that there is talk of abolishing the

United States Senate? We have been here nearly four months, and it appears to me that we have accomplished about as much as a good board of county commissioners would do in a week's time; and much that we do is done under cover of a viva voce vote. One day last week, when the House campaign-publicity bill was before the Senate, the Senator from Oklahoma [Mr. OWEN] offered thereto an amendment designed to limit the expenditure of money in congressional elections by national political committees and congressional campaign committees, and he could not get the required number of Senators—one-fifth of those present—to join him in a demand for a ye-and-nay roll-call vote on the amendment; and the amendment was defeated under cover of a viva voce vote, of which no individual record is made. On the same day the Senator from Missouri [Mr. REED] offered to the same measure an amendment that suffered a like fate. The people complain of these things. I say, that by remaining here at our post of duty and expediting needed legislation we may do much to remove the cause of complaint. Let us put duty above comfort. Let us put patriotism above pleasure. Let us remain at our post of duty until the masses of the people say we have accomplished that which is expected of us; until the toiling masses shall have been given the remedial legislation so often promised them and so often denied them. These are the observations of a new Member of this body, one who claims no superior wisdom and who is not above human imperfection. With these remarks I announce that I will vote for the pending measure—the House wool bill—when put upon its passage.

Mr. DIXON obtained the floor.

CORPORATIONS IN INTERSTATE COMMERCE.

Mr. CLARKE of Arkansas. Mr. President, I ask unanimous consent to submit a report out of order from the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. DIXON. I yield to the Senator from Arkansas for that purpose.

Mr. CLARKE of Arkansas. I am directed by the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate resolution No. 98, directing the Committee on Interstate Commerce to investigate and report desirable changes in the law regulating and controlling corporations and persons or firms engaged in interstate commerce, to report it favorably without amendment, and I ask unanimous consent for the present consideration of the resolution.

The PRESIDING OFFICER (Mr. HEYBURN in the chair). It will be necessary for the Senator from Montana to yield the floor under the rule.

Mr. DIXON. I yield the floor for that purpose.

The PRESIDING OFFICER. The Senator from Arkansas asks unanimous consent for the present consideration of the resolution reported by him. The resolution will be read for information.

The Secretary read Senate resolution 98, submitted by Mr. CLAPP on the 7th instant, as follows:

Resolved, That the Committee on Interstate Commerce is hereby authorized and directed, by subcommittee or otherwise, to inquire into and report to the Senate at the earliest date practicable what changes are necessary or desirable in the laws of the United States relating to the creation and control of corporations engaged in interstate commerce, and what changes are necessary or desirable in the laws of the United States relating to persons or firms engaged in interstate commerce; and for this purpose they are authorized to sit during the sessions or recesses of Congress at such times and places as they may deem desirable or practicable, to send for persons and papers, to administer oaths, to summon and compel the attendance of witnesses, to conduct hearings and have reports of same printed for use, and to employ such clerks, stenographers, and other assistants as shall be necessary; and any expense in connection with such inquiry shall be paid out of the contingent fund of the Senate upon vouchers to be approved by the chairman of the committee.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. SMOOT. I should like to ask the Senator from Arkansas whether it is a unanimous report of the committee?

Mr. CLARKE of Arkansas. I understand not. The Senator from New Jersey [Mr. BRIGGS] announced that he was not in favor of its passage. He simply did not indicate that he had further opposition to it. He did not vote for it. I do not know that I disclose anything which may not be made known in making the statement.

Mr. SMOOT. Does the Senator know whether the Senator from New Jersey would like to be heard upon it?

Mr. CLARKE of Arkansas. I think not. He did not indicate any preference of that kind. I would not want to have it pass from under the control of the Senate if there was any doubt on that point. I can only state what he informed us in the course of the running discussion which took place while the resolution was under consideration in the committee.

Mr. SMOOT. I have not any objection to the resolution personally.

The PRESIDING OFFICER. The debate is proceeding by unanimous consent.

Mr. SMOOT. But—

The PRESIDING OFFICER. The question is, Is there objection to the present consideration of the resolution?

Mr. BRANDEGEE. I do not object. I simply rose to give some information to the Senator from Utah.

The PRESIDING OFFICER. There being no objection—

Mr. RAYNER. Mr. President, I should like to have the resolution read.

The PRESIDING OFFICER. The Secretary will again read the resolution.

The resolution was again read.

Mr. BRANDEGEE. I will say to the Senator from Utah that this morning I had a conversation with the chairman of the committee, the Senator from New Jersey [Mr. BAIGES], in relation to this resolution, and he informed me that while, personally, he would vote against it in committee it would be reported out, and I gathered distinctly from him that he intended to make no opposition to it on the floor. Personally, I hope the resolution will be agreed to.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. By unanimous consent only can the resolution be proceeded with.

Mr. SMOOT. I am not going to object to the consideration of the resolution after the explanation of the Senator from Connecticut.

The PRESIDING OFFICER. There being no objection, the Senate will proceed to the consideration of the resolution. The question is on agreeing to the resolution.

The resolution was agreed to.

ELECTION AND RECALL OF FEDERAL JUDGES.

Mr. OWEN. Mr. President—

Mr. DIXON. I yield to the Senator from Oklahoma.

Mr. OWEN. I wish to give notice that on Monday next, after the morning hour, I shall address the Senate on the election and recall of Federal judges, and for that purpose I introduce a bill, without objection.

The PRESIDING OFFICER. The bill can not be received while the Senator from Montana is occupying the floor in the consideration of the unfinished business.

Mr. DIXON. I will yield the floor to accommodate the urgent necessity of my friend from Oklahoma.

The PRESIDING OFFICER. The bill will be received.

The bill (S. 3112) providing for the election and recall of Federal judges was read twice by its title.

Mr. OWEN. I desire that the bill may lie on the table.

The PRESIDING OFFICER. It will be so ordered.

Mr. CLARK of Wyoming. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Wyoming?

Mr. DIXON. I do.

Mr. CLARK of Wyoming. I think the Senator from Oklahoma gave notice that he would after the morning hour address the Senate on the bill he introduced. I wish to make a parliamentary inquiry. Would that make the bill the unfinished business?

Mr. OWEN. I think not. I merely propose to speak at the convenience of the Senate, and I do not wish to make it the unfinished business.

Mr. CLARK of Wyoming. Of course, if the Senator speaks at the conclusion of the morning business he can avoid that, at any rate.

Mr. OWEN. I suggested after the routine morning business.

Mr. CLARK of Wyoming. I understood the Senator to say "after the morning hour."

Mr. OWEN. I meant to say "after the routine morning business."

AMENDMENTS OF THE CONSTITUTION.

Mr. OWEN introduced a joint resolution (S. J. Res. 42) proposing a method of amending the Constitution of the United States by establishing constitutional majority rule; which was read twice by its title.

Mr. OWEN. I ask that the joint resolution may lie on the table.

The PRESIDING OFFICER. It will lie on the table.

TARIFF DUTIES ON WOOL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11019) to reduce the duties on wool and manufactures of wool.

Mr. DIXON. Mr. President, in view of the many formidable exhibits here to my right, which may dishearten some of my

friends who might want to listen to me, I will say that I shall take up but a very few minutes this afternoon. However, in view of the approaching vote on the House wool bill to-morrow, I want this afternoon to tell at least some truths about Schedule K that I believe, without egotism, are misunderstood by 99 per cent of the people of this country. If Senators who are really interested in some of the involved language of Schedule K, that has been severely criticized in the press of this country, would take the pains to listen for a few minutes, I really believe I might throw some light on a much-mooted question, and I might say some things that would be of real intellectual benefit to some of my fellow Senators.

Mr. McCUMBER. Mr. President, I suggest the want of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon	Cullom	Myers	Reed
Bourne	Cummins	Nelson	Root
Bradley	Davis	Newlands	Shively
Brandegee	Dixon	Nixon	Smoot
Bristow	Gore	O'Gorman	Stone
Burnham	Gronna	Oliver	Sutherland
Chamberlain	Heyburn	Owen	Swanson
Chilton	La Follette	Page	Warren
Clapp	Lodge	Penrose	Westmore
Clark, Wyo.	McCumber	Perkins	Williams
Clarke, Ark.	Martin, Va.	Pomerene	
Crawford	Martine, N. J.	Rayner	

Mr. CHAMBERLAIN. The junior Senator from Alabama [Mr. JOHNSTON] requested me to state for him that he is absent from the Senate attending the Lorimer investigation.

Mr. CHILTON. I desire to announce that my colleague [Mr. WATSON] is unavoidably absent from the Senate.

Mr. PAGE. I wish to announce that my colleague [Mr. DILLINGHAM] is detained on the Lorimer investigating committee, and probably will not be with us to-day.

The PRESIDING OFFICER. Forty-six Senators having answered to their names, a quorum of the Senate is present. The Senator from Montana will proceed.

Mr. DIXON. Mr. President, I think it is a duty that I owe to the woolgrowers to try to explain what I believe has always been the great stumbling block in the way of a proper understanding of the wool tariff. It is the one thing on which wool tariffs have been built and the one thing that is not understood by one-tenth of 1 per cent of the people of this country.

The wool-tariff schedule—Schedule K—of the Payne Tariff Act of two years ago is admittedly not basking in the sunlight of popular favor. By common consent Schedule K seems to be doomed to revision.

The Democratic majority in the House have presented their views of Schedule K, and their diagnosis of both the disease and the remedy is contained in the so-called Underwood bill, upon which a vote will be taken to-morrow.

A distinguished Republican Senator [Mr. LA FOLLETTE] has presented his views of the revision of the wool tariff as embodied in the La Follette amendment, while another eminent Republican Senator [Mr. SMOOT] has presented his ideas of the correct solution of the wool tariff in the so-called Smoot amendment.

Briefly, the Underwood bill proposes a 20 per cent duty on all raw wool, with an average duty of 40 per cent on manufactured woolen goods.

The La Follette amendment proposes a 40 per cent duty on raw wools such as are generally produced in this country; a 10 per cent duty on coarse carpet wools, very little of which are produced in this country; and an average duty of about 50 per cent on manufactured woolens.

The Smoot amendment proposes a duty of 9 cents per pound on wools of the first and second class and 3 cents per pound on wool of the third class, with an average duty of about 60 per cent on manufactured woolens.

Each of these three bills professes a lowering of present duties on raw wool and manufactured woolens.

Representing a State that has more sheep and raises more wool than any other State in the Union, and in which industry my people have invested about \$40,000,000, I am naturally much interested in the pending measures.

More misinformation is afloat, more prejudice exists, and more injustice is liable to result in trying to remedy the alleged wrongs of Schedule K than any other of the tariff schedules.

Before any action is taken in this matter I want to be heard. I know that rank injustice and inequalities do exist in the present provisions of Schedule K. I know that I have knowledge of these wrongs, and I therefore ask of Senators a patient and careful hearing of what I shall have to say.

Two years ago, during the debate on the Payne-Aldrich tariff schedules I was aware of the gross inequalities of Schedule K. I then conceived it to be my duty, as one of the Senators from the greatest wool-producing State, to go to some of the other Senators from the western woolgrowing States and propose to them that we get together and try and adjust what I at that time conceived to be the inequalities of that schedule as it affected the woolgrowers of the West.

But Senators from that section, older and more experienced in tariff legislation than myself, and with equal responsibilities in the matter, while admitting that my contentions were correct, urged that "it was better to bear the ills we have than to fly to those we know not of," and I reluctantly acquiesced in their more mature judgment.

Subsequent events have demonstrated to my mind, at least, that my judgment was then correct. That if, at the time, we had frankly acknowledged a situation that is patent to all who will take the time to investigate, and had reconstructed and rewritten Schedule K in plain English, leaving out the miserable subterfuge that was first written into it at the instigation of certain wool manufacturers in the McKinley Act of 1890, carried over into the Dingley Act of 1897, and again into the Payne-Aldrich Act of 1909, the woolgrowers, the woolen manufacturers, and the people generally would have been better off and business conditions would not now be upset with another renewal of tariff revision.

The time is now here when we should know the truth about this matter, and to the best of my ability I intend this afternoon to set forth the cold record of actual conditions as they have affected the sheep grower.

I shall demonstrate why, that with a tariff duty that most people have honestly supposed gave the sheep raiser a protection of 11 cents per pound, the industry of growing wool and mutton has not thrived, but in the past 10-year period has not quite held its own. And we might as well acknowledge that fact. I shall show conclusively that the struggling sheep grower has been led to believe, and most of them have believed and the people at large have certainly believed, that he was protected by a duty of 11 cents per pound. He has in reality not had a tariff protection of to exceed 5 cents, certainly not over 6 cents, per pound on the average. I will show why instead of to-day having 100,000,000 sheep in the United States that would produce 600,000,000 pounds of wool, more than enough to supply our own needs, we have to-day only 39,470,312 wool-shearing sheep, with approximately 60,000,000 all told, including lambs of this year's crop.

I think the census returns, with the lamb crop included, only show 50,000,000; but the June and July returns would make the number of sheep and lambs about 58,000,000 to 60,000,000. We have to confess that in the past 10 years we have lost about 1 per cent of the sheep of this country. We have not increased the number of our sheep under the present tariff duties.

People generally have believed that the woolgrower has been protected by a duty of 11 cents per pound. Some of the sheepmen have believed this was true. Many of them have known that the nominal paper duty of 11 cents per pound was in fact a delusion and a snare; that the actual tariff duties has not given the woolgrower to exceed 5 or 6 cents per pound. I doubt even that much.

The truth is the woolgrower has been sacrificed for the benefit of the manufacturer. I will demonstrate that that is the reason the woolgrower has not prospered and the one reason why sheep have not increased in numbers as they should have done.

Mr. NELSON. Mr. President, I do not want to interrupt the Senator, but—

Mr. DIXON. I court interruptions. I want to demonstrate this matter, if I can.

Mr. NELSON. I want to ask the Senator this question: Does he not think that this decrease arose from the fact that a good deal of the range lands have been taken up by homesteaders?

Mr. DIXON. That is the popular theory, and I confess that I labored under the same belief as the Senator from Minnesota; but the returns of the census demonstrate that in the West throughout the old "Territorial" country, the Rocky Mountain region, the public-land region, sheep have increased in the last 10-year period. The decrease has come in the Eastern and Central States.

Mr. WARREN. May I interrupt the Senator for a moment? The facts are that there are more sheep in the Rocky Mountain country than before because, through irrigation and cultivation, material is raised for feeding sheep in the winter and the spring and fall and caring for them, so that the same number of acres now provide for many more sheep than they did when

the sheepmen depended entirely upon the grasses of the open range.

Mr. DIXON. The Senator from Wyoming states the situation correctly. The irrigation of the valleys and the growing of alfalfa have made winter feed and winter pasture for the sheep where formerly they depended entirely upon the range.

I will show why this great Nation is to-day dependent on other countries for \$100,000,000 of wool and woolen goods yearly imported from foreign countries that should be produced by our own people.

I will show how this Nation can produce its own wool in abundant sufficiency to clothe all its own 90,000,000 people independent of all the nations of the earth.

HISTORY OF THE WOOL TARIFF.

Taught by the stern necessities of the Civil War, when our supply of foreign wools was seriously threatened, that a great Nation to be truly self-supporting must raise the wool for the manufacture of its own clothing, the wise provision of the wool tariffs of 1867 was enacted into law, when a straight duty of 10 cents per pound plus 11 per cent ad valorem was laid on raw wool.

Under the operation of that tariff, with no "skirting-clause" joker in it, the prices for wool were fairly remunerative to the farmer and woolgrower. Sheep increased from 28,477,951 in 1870, producing 100,102,000 pounds of wool, to 50,626,626 sheep in 1884, producing 308,000,000 pounds of wool. In 14 years, under a straight tariff duty of 10 cents per pound, the sheep of this country doubled in numbers, and the wool clip increased from 100,000,000 pounds in 1870 to 308,000,000 pounds in 1884. That was the effect on the sheep-growing industry of this country under a straight-duty tariff, with no joker in it.

Mr. WARREN. I will say to the Senator that during a part of that time we had a compound duty, 10 per cent ad valorem being added.

Mr. DIXON. I say that we had 10 cents specific duty and 10 per cent ad valorem, which made about 11 cents per pound.

Mr. WARREN. I will say that sometimes it reached as high as 13½ cents, of course when wool was highest; but the Senator is right, generally speaking, about the tariff rate during that period.

Mr. DIXON. Then, unfortunately, came the tariff act of 1883 reducing wool duties by leaving off the ad valorem duty on class 1 and class 2 and reducing the duty on class 3 to 2½ cents per pound. Class 3 covers what is known as the coarse carpet wool, and under the provisions of that law a great abundance of foreign wool under the 2½ cents specific duty on what was known as carpet wool came into this country, displacing the American-grown wool.

Now, listen, Senators. Under the 1883 tariff sheep decreased in number from 50,626,626 in 1884 to only 43,431,136 in 1891, producing 285,000,000 pounds of raw wool; in other words, after the cutting down of the duty on wool of the third class to 2½ cents per pound flooded the country with foreign wool the result was that during that seven-year period the sheep decreased from 50,000,000 to 43,000,000, but the duties then existing were far greater, in fact, than those under either the Dingley law or the present law.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER (Mr. HAYBURN in the chair). Does the Senator from Montana yield to the Senator from Utah?

Mr. DIXON. Gladly.

Mr. SMOOT. I should like also to call the Senator's attention to the fact that the law of 1883 placed the duty on waste at 10 cents a pound; and millions and millions of pounds of waste were brought into this country. Increased importations of cloth followed and broken wool tops were imported as waste, all of these taking the place of American wool.

Mr. DIXON. The Senator from Utah states the exact truth. Unfortunately the adjustment of the figures on "broken tops," which is the essence of refined wool, at 10 cents per pound, brought in a tremendous importation at that end of the line to supplant the American wool.

THE MCKINLEY LAW OF 1890.

In October, 1890, the McKinley law was passed. It restored the duty to 11 cents per pound on unwashed wool of the first class, 12 cents on the second class, with class 3, the coarse carpet wools, carrying an ad valorem duty of 32 per cent.

Now listen to the result under the McKinley tariff: During the three years it was in force the number of sheep slowly grew, increasing from 43,431,136 to 47,273,553, and producing 348,538,000 pounds of wool, in place of 285,000,000 pounds three years previous.

But the McKinley law was not a success. For the first time, at the instigation of the eastern wool manufacturers, there was

inserted an innocent-looking provision that was fatal, and which since that time has proved to be the famous "joker" of all wool tariffs since enacted.

THE SKIRTING-CLAUSE "JOKER."

Herein lies the secret of the whole trouble of wool tariffs, and in it lies the secret of the wrong and injustice that has been done to the woolgrowers of this country.

When the wool manufacturers by the legerdemain of knowing how to make it appear to congressional Finance Committees, as one eminent authority at that time said, when the full import of the infamous "skirting clause" was made known:

Low duties on wools are made to sound high. It is framed to yield the least return to sheep raisers, without being understood by those who read it.

The New York Weekly Tribune of February 17, 1897, said:

The skirting clause of the act of 1890 was made the means of defeating the plain object of the law to a large extent.

The Tribune was then the great champion of the farmer. Horace Greeley's great influence had not yet entirely waned in its editorial sanctum.

That was before the days of "free trade for farm products" under the guise of reciprocity, sugar coated with "free print paper." But more for the famous skirting-clause joker later on.

WILSON BILL AND FREE WOOL.

I now want to advert to the Wilson bill. Under it raw wool was placed on the free list. Then came the dark days of 1893 to 1897. The theory of the free trader, "free wool and cheap clothes," was heard in the land.

The Wilson bill passed August 28, 1894. We were already in the preliminary stages of the world-wide financial depression of those terrible years. There was no protest then against "high wages," "high prices," and the "high cost of living."

The blow was a staggering one to the sheep raiser. Sheep in Montana sold as low as 75 cents per head and wool as low as 7 cents per pound.

The statement of a distinguished Democratic Senator on this floor the other day that "some Democrats that he knew wanted to kick a sheep every time he saw one" bore bitter fruit. That "free-wool" and "cheap-clothes" demand became a reality. We certainly got "cheap wool," but cheap clothes did not bother us at all, for we were busily engaged just then in trying to find something to put into our empty stomachs, and while thus engaged in that strenuous occupation we were content to wear our old clothes, patched and ragged though they were.

Mr. WARREN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Wyoming?

Mr. DIXON. Certainly.

Mr. WARREN. May I ask the Senator whether, in his observation, wool clothing was any cheaper to the consumer during that time than it was before or has been since?

Mr. DIXON. I know in the part of the West where I live everybody was bankrupt and broke, and we were not inquiring very much into price tags in the clothing-store windows during that period.

Mr. WARREN. If I may state what my observation was, I will say that on all wool clothing we got no discount whatever, but paid the same prices. We could buy shoddy clothing, because that tariff law removed the duty on shoddy, and the importations of the free shoddy increased some 20 times. We used 20 times as much of it as before.

Mr. DIXON. The whole country was flooded with shoddy importations from Europe, displacing American pure wool.

Under the beneficent influence of "free wool" the number of sheep diminished from 47,273,553 in 1893 to 36,464,405 in 1896, a decrease of over 9,000,000 in three years. Wool production fell off from 348,538,000 pounds to 270,474,000 pounds.

The value of sheep fell from \$125,909,000 in 1893 to \$61,989,000 in 1896.

Practically every woolen mill in this country was closed during that period, and the whole wool business, from the sheep raising to the manufacturing, was bankrupt, hopeless, and ruined, and the importations of foreign wool doubled and trebled; the importations of shoddy multiplied, as the Senator from Wyoming has said, 20 times over, and whatever clothes that we were fortunate enough to get hold of were largely made from shoddy imported from Europe.

DINGLEY LAW OF 1897.

In 1897 the Dingley law practically restored the old rates of the McKinley law, but the poor woolgrowers, after their terrible experience with "free wool," knowing full well the cheat and delusion of a nominal duty of 11 cents per pound, with the "skirting clause" again inserted, which in its actual results only gave 4 or 5 cents protection, were willing to accept anything that promised some relief.

McKinley had himself stood for a duty of 8 cents per pound in 1890, with no "skirting clause," but the manufacturers insisted on 11 cents, with the "skirting-clause" joker put in.

THE JOKER.

Now, let us examine into the matter and see how the "skirting clause" really reads and see what it means in actual results.

The language of the McKinley law, copied into the Dingley law and again rewritten into the present Payne-Aldrich tariff law, after providing for a duty of 11 cents per pound for wool in the grease and 12 cents per pound for the wool washed on the sheep's back, not scoured, and after further providing that any wool imported—here is the crux of the whole matter; this is the provision of the present law, of the Dingley law, and of the McKinley law—

which has been sorted or increased in value by the rejection of any part of the original fleece, shall be subject to twice the duty to which it would be otherwise subject.

Here is the proviso that was slipped in in 1890:

Provided that skirted wools as now imported are hereby excepted.

"Now you see it, and now you don't." It is the same as if we enacted a stringent statute against murder in the first degree, providing as a punishment that the one found guilty should be drawn, quartered, and burned, and then at the end should add a proviso that "the maximum penalty shall only be six months in the county jail." That was the joker that was slipped into the law of 1890. Columbus Delano, of Ohio, the great wool expert, got up in the committee room of the House and left it in disgust.

The tariff on raw wool was written on paper for the poor sheep raiser a thousand miles away from the scene of action in language that appeared to him a plain protective duty of 11 cents per pound, but with a string tied to it by the representative of the organized manufacturers that, when gently pulled by him in the actual business of importing foreign wools, only gave the sheepman about 4 or 5 cents per pound actual protection.

Mr. NELSON. Will the Senator be kind enough to explain what the term "skirted wool" means?

Mr. DIXON. I am just approaching it now. In other words, by a bold circumlocution of phrases, the tariff of 11 cents per pound, supposedly for the protection of the sheepman, largely disappeared in the shrewd juggling of the innocent-looking proviso attached to the end of the paragraph.

HOW IT WORKS.

Here is how it works: Theoretically merino wool, known to the trade as "Territory wools," such as constitutes the bulk of the wools grown in Montana, Idaho, Wyoming, Utah, and the other States that were formerly Territories, shrink on an average about 65 per cent from the "wool in the grease" to the "scoured wool" status—from this status [indicating by exhibiting a sample of greasy wool] to that [indicating by exhibiting a sample of scoured wool].

I think I have given the percentage of shrinkage a little high; probably 60 per cent would be better.

Mr. SMOOT. No; 65 per cent.

Mr. DIXON. The Senator from Utah informs me that it is 65 per cent. For this reason the duty on this scoured wool [indicating] was fixed at 33 cents per pound, being, theoretically, the equivalent of the 11 cents per pound duty on 3 pounds of wool in the grease.

I will now say, so that these samples which are here on my desk may be more intelligently understood, that a gentleman from Idaho, Frank Hagenbarth, who, I think, is as well informed about the wool tariff as any man living, at my request went to Boston, visited the wool warehouses, and bought 60 samples of wool from the different wools stored there—some from the West, some from Ohio, some from the Argentine, some from Australia, and some from England. He took those 60 samples and distributed them among four different professional scourers in the city of Boston. The scourers did not know where the wool came from or anything about it. They only knew it by number. He was endeavoring to ascertain by actual test how much imported wools brought into this country under the skirting clause actually shrink. I will get to that later on.

Here on the desk is a letter sent me by Jeremiah Williams & Co., of Boston, at the request of Mr. Hagenbarth, giving the actual figures for wool in all stages of preparation—from the dirty wool in the grease to the skirted, the scoured wool, the tops, and the spun yarn. Here [indicating] are the nolls, which are the waste and the burrs, amounting to 2 grams, I think, in those 2 pounds of wool. This [indicating] is skirted wool from Australia. Two pounds of it make one pound of scoured wool; in other words, the shrinkage on this wool is 50 per cent instead of 66½ per cent, on which the tariff is based.

Mr. ROOT. What is the process of skirting?

Mr. DIXON. Skirting is simply this: The wool fleece does not shrink in the same proportion. The belly, the legs, and the posterior portion of the animal, where the dirt and filth accumulates, shrink probably 90 per cent. The skirting clause merely permits the importer to take a fleece from Argentina or Australia or New Zealand and clip off the heavy shrinking, dirty, filthy, posterior parts, the belly and the legs, and import only the light-shrinking back and top. Here is the letter to me from Jeremiah Williams & Co., dated Boston, June 29, 1911, written at the request of Mr. Hagenbarth. They give the actual result of the tests with these samples. It shows that 2 pounds of grease wool made 1 pound of scoured wool; 14½ ounces of card sliver—card sliver is the wool as it first comes out of the carding machine—make 12 ounces of tops, which is the finest grade of refined wool before it is carded into roving and then spun into yarn.

Mr. SMOOT. Or a reduction of 25 per cent between the scoured wool and the tops.

Mr. DIXON. Or a reduction of 25 per cent between the scoured wool and the tops. Two pounds of dirty grease wool produced these results, finally yielding 10½ ounces of yarn.

Mr. WARREN. How much of noils?

Mr. DIXON. Two and a quarter ounces of noils. This is noil [indicating]. It is merely waste, the short, stubby, coarse fibers that are taken out in carding and combing. The 2 pounds of grease wool also produced 2½ drams of card fly and burrs, which is merely refuse.

Mr. WARREN. Mr. President, if the Senator will permit me, we have many inquiries as to what noils are. As I understand, noils come from scoured wool, and they are the short parts of the wool and also whatever impurities are left when the tops have been extracted from the scoured wool.

Mr. DIXON. That is correct.

Mr. SMOOT. The short staple fibers from fine grade of wool.

Mr. WARREN. The short staple, and anything that will not make tops.

Mr. DIXON. All wools do not shrink alike.

Mr. WARREN. Does the Senator expect to follow tops further? There is a little waste in putting tops into yarn and the yarn into the cloth.

Mr. DIXON. The cloth samples are there on the other desk [indicating]. I will take them up a little later, as it will follow in better sequence. All wools do not shrink two-thirds in scouring. Now, remember that tariff duties are all built on the supposed fact that wool shrinks 66⅔ per cent.

Theoretically the importing manufacturer, to get 100 pounds of scoured wool, would import 300 pounds of wool in the grease, paying thereon a duty of \$11 per hundred pounds, or \$33, the equivalent of 33 cents per pound on the scoured product.

But with the "skirting clause" in active operation, he does no such thing. From all fleeces imported at the place from where they are shipped he first trims off the heavy shrinking legs, belly, and rump portion of the fleece, and only imports the light shrinking back and side portion of the fleece, so that in importing 300 pounds of "skirted wool" from Australia or New Zealand or Argentina, which then shrinks only less than 50 per cent instead of the theoretical 66⅔, the importing manufacturer actually gets from his 300 pounds in the grease, if it only shrinks 50 per cent, 150 pounds of scoured wool, which has cost him just 22 cents per pound in tariff duty on the scoured wool, instead of 33 cents, as contemplated by the tariff section before the "skirting clause" was deftly attached thereto.

In other words, the "protection to the woolgrowers" has then and there shrunk from 11 cents per pound to one-third of 22 cents, which makes 7⅓ cents actual protection instead of the 11 cents as written in the law.

Judge William Lawrence, who was for some years a Republican Member of Congress from Ohio, afterwards Comptroller of the United States Treasury, and who for years was president of the Ohio Wool Growers' Association, and probably the greatest authority in his time on wool tariff—I think the Senator from Utah [Mr. Smoot] knew him—

Mr. SMOOT. I used to know him very well.

Mr. DIXON. I think he is also known to the Senator from Massachusetts [Mr. Lodge] and the Senator from Wyoming [Mr. Warren].

Mr. LODGE. Yes; and he is a great authority.

Mr. DIXON. Judge Lawrence gave it as his deliberate opinion, in his annual address before the Ohio Woolgrowers' Association in 1898, after the notorious skirting clause had again been inserted in the Dingley law of 1897, that "the skirting clause was a fatal defect in both the McKinley and the Dingley tariff laws." He gave it as his judgment that under the loophole of the skirting clause and the inadequate duty

placed on wools of class 3, the nominal paper duty of 11 cents per pound only "added an average of about 4 cents per pound to the price of unwashed wool to the average American merino wool over the normal world's price and no more."

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Utah?

Mr. DIXON. Yes.

Mr. SMOOT. In justice to the present situation, I would like to say that at that time they were making a great many coarse goods in this country; and if they were doing it to-day and could use third-class wools, the result would be the same as the judge stated. But it is not to that extent now, because they are not making the coarse goods.

Mr. DIXON. Yes; the Senator from Utah [Mr. Smoot] states the thing correctly as it was at that time. At that time worsteds had not come into universal use. Cheviot and tweed weaves were largely used. They were importing this coarse class 3 wool, which still further reduced the actual protection to the sheep grower.

Mr. WARREN. For a long time there was no tariff at all, or scarcely any on third class, called carpet wools. To-day about 81 per cent of the carpet wools come in under a tariff of 4 cents. About 19 per cent come in at 7 cents. It is safe to say that pretty much all of the best, and I should think perhaps a quarter or a third of the balance, is used for other purposes than carpets, and it is so stated in various publications.

For instance, the Boston Transcript, in quoting the market every week, speaks of it in nearly every quotation as third class or carpet wool imported for better purposes than carpet manufacture.

Mr. DIXON. Now listen, Senators. Edward A. Greene, of Philadelphia, whom many of the older Senators remember, the eminent wool manufacturer, wool dealer, and wool expert, who was chairman of the commission that arranged the wool samples under the act of 1890 for use in the United States customs, which same classification is still in use, in discussing the actual operation of the law and with reference to the "skirting clause," said:

The Dingley law is better for the manufacturers than any law they ever had, but worse for the woolgrower than any, except the Wilson law, since 1867.

That was Mr. Greene's testimony on the effect of the skirting clause.

To put the matter of shrinkages of imported wools that had been skirted to the actual test, at considerable trouble, Mr. Frank Hagenbarth some weeks ago went personally to Boston and procured the 60 actual samples from different shipments of wool in the warehouses at Boston and had the wool in the grease scoured by professional scourers.

Here are the results:

	Shrinkage—	
	Lowest.	Highest.
	Per cent.	Per cent.
Fine Australian, 64's.....	44	48
New Zealand, 58's.....	38	42
New Zealand, 50/56's.....	35	38
New Zealand, 46's.....	28	32
New Zealand, 40's.....	24	28
Montevideo, 58's.....	40	42
Montevideo, 50/56's.....	37	39
Buenos Aires, 46's.....	32	36
Buenos Aires, 40's.....	28	32
Ohio, Fine Delaine.....	58	62
Ohio, half-blood.....	52	55
Ohio, quarter-blood.....	41	43
Oregon, fine.....	68	70
Idaho, half blood.....	60	62
Montana, three-eighths blood.....	54	57
Idaho, one-quarter blood.....	50	53
English Kent Wethers, washed.....	16	18

These are the results from 60 samples actually scoured under the circumstances I have mentioned.

Mr. LODGE. Those foreign wools are all skirted wools.

Mr. DIXON. All skirted wools. The domestic wools are not skirted, because there is no incentive to skirt them. The foreign wools are all skirted before importation. I have the original samples in my office, 60 of them, and if any Senator out of curiosity should care to drop in and see them, I will be glad to exhibit the whole list. I only brought in these that are here on my desk.

Taking these 60 different samples of imported Australian, New Zealand, and Argentine wools, picked indiscriminately from imported wool stocks in Boston awaiting manufacture, we find the average shrinkage to be 36⅓ per cent.

That is, instead of shrinking 66½ per cent, as contemplated in the tariff law, the average imported Australian, New Zealand, and Argentine wools shrunk only 36½ per cent by this actual test.

In other words, the importer in Boston, in actual experience in importing these skirted foreign wools, paid in tariff duties on 300 pounds the sum of \$33. He received therefrom 190 pounds of scoured wool.

Instead of paying the theoretical \$33 tariff duty on 100 pounds of scoured wool, he actually paid \$33 tariff duty on the resultant 190 pounds of scoured wool, or at the rate of 17.36 cents per pound, for his scoured wool, instead of 33 cents.

In other words, the 190 pounds of scoured wool, from actual results, represented, on the 3-to-1 basis, 570 pounds of unskirted wool in the grease, making the actual duty to the importer at the rate of 5.8 cents per pound on wool in the grease, instead of 11 cents, as provided in the law.

These are the cold facts from the test of actual results.

Mr. CHAMBERLAIN. That was the actual protection.

Mr. DIXON. Yes; that is the actual protection to the American sheep grower—5.8 cents per pound, instead of 11, as popularly supposed.

Mr. WARREN. Will the Senator permit me?

The PRESIDING OFFICER. Will the Senator from Montana yield to the Senator from Wyoming?

Mr. DIXON. Certainly.

Mr. WARREN. The previous reference to Judge Lawrence reminds me that my association with him commenced in the sixties, and usually at least once a year I saw him from that time on. Now, the woolgrowers, aside from the skirting, even if that were eliminated, would not get the 11 cents, of course, because shippers abroad will always ship the lightest fleeces. If you take out the skirted wool, then you will get the light fleeces, which will go a shrinkage of perhaps 48, while ours will go 66½, which was originally accorded as the regular rate of shrinkage. Now, those of us who have long known the duty, know that 11 cents and 12 cents has not been the real protection, but that it has been from 5 to 7½ cents per pound.

Mr. DIXON. The truth was they took the old 11 cents duty in the 1867 tariff and added the skirting clause to it, which nullified half of the 11 cents duty written in the body of the law.

Mr. WARREN. I might say further to the Senator that formerly we did not get the light wools that we now get from abroad. Our South American crossbreds are now very largely light wools, which were not in existence then. At that time the wools from Oceania were all of them of heavier shrinkage than to-day. They were nearer to our shrinkage. So that that change has worked against us year by year in the change in breeding abroad.

Mr. SMOOT. So that Senators will understand also the result just stated—

The PRESIDING OFFICER. Will the Senator from Utah give attention to the Chair for a moment? Senators are indulging in a quiet conversation without addressing the Chair, with the result that other Senators do not hear them. Senators will conform to the rule.

Mr. SMOOT. Mr. President, I wish to call the attention of the Senator from Montana, and also other Senators, to the result that is just announced, and to state that it is not altogether in the skirting clause, from the fact that on class 2 wools under the present law, if they are washed they come in at only 12 cents, and not double the amount of duty for wool in the grease. Therefore the shrinkage upon those washed wools of the second class, coming in at 12 cents—and that was one of the classes that the Senator has alluded to—brings the shrinkage down quite low. In my amendment I have eliminated the skirting clause. I have also provided that wools of the second class coming into this country washed shall bear the rate of twice the amount of wools of the second class in the grease.

Mr. WARREN. The Senator from Utah failed to say what, perhaps, we all know, that he has changed the rate also on the second class, the mutton sheep.

Mr. DIXON. It is all 9 cents per pound.

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Minnesota?

Mr. DIXON. Yes.

Mr. NELSON. During this discussion it has occurred to me that instead of this complicated schedule between raw and unwashed wool, scoured wool, nolls, and all that, would it not be fairer to have an ad valorem rate on the actual value of wools?

Mr. DIXON. I will reach that later on.

Mr. CHAMBERLAIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Oregon?

Mr. DIXON. Yes.

Mr. CHAMBERLAIN. I should like to know from the Senator from Wyoming—and I ask the Senator from Utah the same question—why it was that this disclosure was not made to the Senate when the Payne-Aldrich bill was under discussion? The distinguished Senator from Wyoming [Mr. WARREN] is a large woolgrower, and he must have known it. I do not think the attention of any of the Senators was called to the matter either by the Senator from Utah, who was on the Finance Committee, or by the Senator from Wyoming, who was a Member of the Senate then, and who is a woolgrower.

Mr. WARREN. If the Senator will allow me to answer: There has not been a time, in conversation or public speaking, when the matter has come up to me, when I have not made the statement that on first-class wool the real protection to the sheep grower has not exceeded 7½ cents a pound, and that it is sometimes less since the introduction of light shrinkage cross-bred wools.

Now, in the matter of second-class wool, we have for many years understood there was a fault. But I have heard it said often here, and never better than by a former Senator from Missouri, Senator Vest, who one day in a speech stated how long he had served, and stated that there never had been a tariff bill passed that any living man was satisfied with.

I make that assertion on my own account, that there never has been a general tariff bill passed that exactly suited any one person. This wool tariff has never entirely suited the woolgrower, but it has been the best that we have been able to attain so far.

And referring to the matter of second-class wool, I remember that the Senator from Minnesota brought it up two years ago. The second-class wool originally was all the wool that could be combed. At that time the other wools were used for felting, carding, and so forth, but they could not be combed, and there was such an intense feeling on the part of manufacturers that they must have a certain small amount of long luster wool to use with a Lister comb, and besides that, on account of the great friendship for Canada, they left the second class at 12 cents, washed.

The percentage of such wool has never been over 12 per cent of the entire production, and usually only 6 or 7 per cent, so that it has not been so important; but at the present day the French combs, and also the Heilmann and Noble and one or two other classes of combs that have been invented in America, comb nearly all of the wool produced. They comb the wools formerly considered too short for combing. Now, I believe, and I want to say to the Senator from Minnesota [Mr. NELSON], who has just arisen in his place, that second-class wools have just as much right to have a dirt, a washed, and a scoured rate on them as any other classes. It is my intention, if I ever get a chance, to help make it that way.

Mr. NELSON. The Senator from Wyoming speaks of the friendship for Canada in connection with wool.

Mr. WARREN. A great many years ago.

Mr. NELSON. But the friendship for Canada was not as great as it has been at this session of Congress.

Mr. WARREN. That is true. But I desire to call the attention of the Senator to the fact that the wool associations of this country, the woolgrowers, and the Senators in this body who represent woolgrowers have not been so insistent on indorsing Canadian reciprocity as have some others.

Mr. NELSON. Another thing, if the Senator from Montana will yield to me.

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Minnesota?

Mr. DIXON. Certainly.

Mr. NELSON. This occurs to me. We who were very anxious in 1909 to have this woolen schedule revised, were told that it could not be done, that it was the key of protection, that you must not touch it; and now the Senator from Utah and others come in and admit that the tariff was unjust and unfair, and too high, and are ready to reduce it. Why did not you meet us in that spirit at that time, instead of coming now to do it?

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Utah?

Mr. DIXON. Yes.

Mr. SMOOT. I think that if I had time to explain—

Mr. NELSON. Did you not have time two years ago?

Mr. SMOOT. If the Senator will only wait a minute, I will tell him what I was going to. If I had time to explain to the Senator the bill that I have offered, I believe I could convince him that, as far as the woolgrower is concerned, he has just as much protection to-day as he had under the present law. And I think the Senator from Montana will admit it.

Mr. DIXON. Yes.

Mr. SMOOT. I think the Senator from Wyoming [Mr. WARREN] will admit it. I do not want to take the time of the Senator from Montana at this time, but if I have a chance I will explain to the Senate later on.

Mr. WARREN. If the Senator will allow me a moment there. I wish the attention also of the Senator from Minnesota [Mr. NELSON]. The reason which might have existed for these luster wools has passed away largely by invention of the combs; and, on the other hand, there has arisen a greater demand for mutton and mutton sheep, and the supply is short and growing shorter; so that there is every reason to change that tariff now, that did not exist, perhaps, at the time when the tariff was made.

Mr. CHAMBERLAIN. Mr. President, just a moment. I am peculiarly interested in this subject, because I come from a sheep-growing State myself, and the sheep growers in Oregon generally—I mean those who have not the sources of information at hand, as has the distinguished Senator from Wyoming [Mr. WARREN]—all write to me about the 11 cents protection, and insist that a reduction of that will seriously injure the sheep-growing industry of my State.

Now, according to the admission made by the distinguished Senator from Montana, as well as by the Senator from Wyoming, the sheep men in the West have not been getting that at all. As a matter of fact, they have been getting only a little over 5 cents instead of 11.

Mr. WARREN. They have been getting 7 and a fraction at times. Of course it has varied, but I think the Senator from Oregon will ascertain, upon inquiry, that the real wool-growers of his State, as well as others, understand the situation—that under present laws it takes the 11-cent maximum to really produce 5 to 7½ cents in the clear.

Mr. CHAMBERLAIN. The rate which the Senator from Montana fixes is a little over 5 cents; so that I wanted it to get in the RECORD that these people who have been believing all the time that under the Payne-Aldrich bill, as well as under the McKinley bill and under the Dingley bill, they have been getting 11 cents protection, are really getting only a little over 5 cents.

Mr. WARREN. May I ask the Senator if the sheep growers who are writing to him are asking to have the tariff reduced?

Mr. CHAMBERLAIN. They have been buncoed into the belief that Schedule K ought not to be changed at all. Now, the Senators here who are in that industry seem to believe it ought to be changed, and I am inclined to believe they are right.

Mr. DIXON. I want it changed, and put it in plain, ordinary English, so that it can be understood. That is what I urged the western Senators to do two years ago, and I think a fatal mistake was made in not doing it then.

Mr. HEYBURN. Mr. President—

The PRESIDING OFFICER (Mr. CLARK of Wyoming in the chair). Does the Senator from Montana yield to the Senator from Idaho?

Mr. DIXON. Yes.

Mr. HEYBURN. Mr. President, I am in some doubt and darkness as to just the position the Senator desires to be understood as occupying. He has demonstrated that the present duty, while nominally 11 cents, is really only 7 cents or thereabouts. Is he in favor of making it really 11 cents? Does the proposition suggested by the Senator make the duty 11 cents and obviolate or do away with the fiction?

Mr. DIXON. I want to eliminate this skirting-clause joker in the present law, that has cheated the woolgrower out of at least half of his supposed protection.

Mr. HEYBURN. It seems to me that is the most important question.

Mr. DIXON. But until you fix a straight wool duty, and give the wool man a little better protection than he has now, the flocks of this country will never increase to the point where we will produce a sufficient supply of our own wool for our own clothing. It could be done very easily. If we had the full 11 cents of protection written in law we would have 125,000,000 sheep in the United States.

Mr. HEYBURN. My object in interrupting the Senator and asking the question was to suggest that I would like very much to participate in such action as would bring about that result. It is the defect, we will admit, that has been discovered. I am not inclined to take issue with the Senator from Montana in that regard. But having discovered it, would it not be better to proceed to find a remedy, to restore a duty which will meet the real necessity of the business?

Mr. DIXON. I would be very happy to cooperate with the Senator from Idaho in accomplishing that result.

Mr. WARREN. Will the Senator allow me there?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Wyoming?

Mr. DIXON. Yes.

Mr. WARREN. The Senator has made a statement, in which I thoroughly agree with him, that if we could get what those not interested in the business suppose the sheepman is getting, there would be sheep enough in this country to raise all the wool that we could use and all the mutton that is required in our country for food.

Now, I want to ask the Senator whether he believes that sheep would perish off the face of the earth if this present tariff, faulty as it may be, should be cut down to only a fraction, as is proposed by a certain bill, which is now before us?

Mr. NELSON. Will the Senator from Montana allow me to ask the Senator from Wyoming a question?

Mr. DIXON. Just let me answer the question, and then I will yield. I will say now to the Senators present, without regard to politics and as man to man, that if the tariff on raw wool that the sheepman is getting to-day is reduced in any appreciable degree, you will drive the last remnant of the American sheep from the face of the earth, except a few little isolated bands of the coarse-wool, mutton sheep, raised for mutton for the local market. There is no question about that, Senators, and I say that to my Democratic friends who are going to vote to-morrow for the Underwood House bill, carrying duties that, in the light of past experience, will shut up, in my opinion, practically every woolen mill in the United States and will, I believe, put the finishing touches to the languishing sheep industry of this country. I will be frank enough to say that the Underwood bill, with its 20 per cent duties on raw wool, does not hit the sheep herder as hard as it does the manufacturer.

Now, let me go on a little further with my argument, and then I will be glad to answer any and all kinds of questions.

Mr. GORE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Oklahoma?

Mr. DIXON. I do.

Mr. GORE. I should like to ask the Senator what he thinks of this situation: The duty on wool in the United States is 11 or 12 cents a pound on first and second class, and in Canada the duty is 2, 2½, and 3 cents—2 cents as against England, 2½ cents the intermediate rate, and 3 cents is their general rate—and those duties are only on that character of wool which the Canadian produces. All other kinds of wool are on the free list.

Mr. DIXON. Yes.

Mr. GORE. And sheep are worth more in Canada than in the United States.

Mr. DIXON. Oh, no; I think the Senator is certainly mistaken; that is, if he refers to ordinary wool-producing sheep. There may be flocks of high-grade sheep which are raised for breeding purposes that may be worth more, but not the ordinary sheep.

Mr. GORE. Mr. President, I examined the figures last night, and they range from \$4.50 to \$7; and the average, I think, is \$6.50.

Mr. WARREN. Will the Senator permit me? I think the Senator, if he will go further, will see that they have only something over a million sheep, and they are very largely—

Mr. GORE. Over 2,000,000, I think.

Mr. WARREN. I looked at the figures not two hours ago, and they were very largely thoroughbred sheep.

Mr. SMOOT. Thoroughbred sheep.

Mr. WARREN. They are raising thoroughbred and high-grade rams to sell to the United States and other countries. Furthermore, I want to say to the Senator that the woolen manufacturers of Canada are about where the woolen manufacturers of this country were after the passage of the Wilson bill. They are "nit."

Mr. DIXON. Of course the sheep industry in Canada will undoubtedly flourish to a greater extent under the action of the reciprocity law that we have just passed than it has in the past. It has not been a flourishing industry heretofore, because they have no market for their wool. There was no home consumption for Canadian wool, but under Canadian reciprocity the Canadian sheepman will have free entrance for his sheep, with the wool unshorn, to the American market. It will naturally encourage sheep raising in western Canada.

Mr. SMOOT. The largest woolgrower in Australia—

Mr. DIXON. I read in the Senate the other day an article from a Chicago paper which stated that the king of the Australian sheepmen, the forerunner of an army of Australian sheep growers, had landed in Winnipeg, and had already purchased a

ranch of 40,000 acres. Seeing opportunities for an increase in the wool and sheep production of Canada under reciprocity with the United States they are going to engage largely in the sheep business in the western Canadian Provinces.

Mr. REED. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Missouri?

Mr. DIXON. I do.

Mr. REED. I am going to ask a question, but I want to preface it.

Mr. DIXON. Let me say to the Senator that if it is a theoretical tariff question, I wish he would reserve it until I finish my statement on this subject.

Mr. REED. It is on this matter.

Mr. DIXON. If it is on this particular question, I will gladly yield.

Mr. REED. Canada in its soil, in its climate, and in its geographical situation is exactly where the United States is, except that Canada has more cold weather and the Canadian sheep raisers have to feed longer. The soil is newer and their transportation is not as good as that of the United States. In Canada they have a tariff, as the Senator from Oklahoma [Mr. GORE] says, of 2 or 2½ cents a pound.

Mr. DIXON. I think 3 cents is their general wool tariff.

Mr. REED. We are now told by the Senator that some Australian sheep king is going to immigrate to Canada and bring his flocks and his herds, leaving his favored land, the land with which we can not compete, to come to Canada, and is there going to engage in this business, because he can ship from there into the United States. When he gets into the United States he will not be any better off with his wool than the American producer. Will the Senator kindly enlighten us as to how it is possible for the Canadian or for the Australian to come to Canada and get rich by shipping wool into the United States, when the American sheep raiser, who is already located here, can not hold his own market and can not make a living?

Mr. DIXON. Mr. President, the Australian sheep raiser has been penalized heretofore in getting his wool product into the American market to the extent of 5 or 6 cents per pound under the manipulation of the skirting clause. It can not be figured definitely. Under reciprocity he can engage in the sheep business in western Canada and ship his mutton, with the wool on the sheep's back, over into the American market free of all duty, where he has heretofore been penalized. He will not get rich any more quickly than the rest of the sheepmen in the West. He will be practically on a par with them.

Mr. REED. Mr. President—

Mr. DIXON. I hope the Senator will let me finish my statement.

Mr. REED. Mr. President, I should like to complete this brief statement, by the courtesy of the Senator.

Mr. DIXON. Certainly.

Mr. REED. The Senator must admit that this Australian sheep grower prefers the American market, and prefers to raise his sheep upon Canadian soil, which is no better than ours, and is not as good as ours, and he prefers our market under these conditions to the present great advantages that the Senator says our local sheep raisers can not withstand. Does that not demonstrate to an exact nicety that all this cry for protection is a fraud and a sham raised by the interested men who come to the United States Senate to vote the people's money into their own pockets?

Mr. DIXON. Oh, I think the Senator himself, under any theory of a tariff, must vote for a tariff that will raise \$400,000,000 of revenue in order to run this Government, whether he calls it a tariff for protection or a tariff for revenue. The incidental protection under your bill is the same as the direct protection under our bill, so far as that incidental protection goes.

Now, Mr. President, I must finish this statement. I have really broken right into the middle of my speech to allow Senators to make these interruptions. I want to be courteous, but I must conclude what I have to say.

Mr. GORE. Mr. President, just one minute as to the number of Canadian sheep.

Mr. DIXON. I think the Senator from Oklahoma is right. As I remember it, the number is about 2,000,000.

Mr. GORE. Let me quote the figures, please.

Mr. DIXON. I will be glad to have the Senator from Oklahoma give the correct number.

Mr. GORE. I hold in my hand the Canadian Yearbook for 1909. The number of sheep reported is 2,705,390.

Mr. WARREN. Are those shearing sheep, or sheep and lambs?

Mr. GORE. Sheep.

Mr. WARREN. Of course, that figure includes the lambs with the shearing sheep?

Mr. GORE. I presume so.

Mr. WARREN. And the figures quoted here give the number of sheep old enough to shear.

Mr. DIXON. Now, in connection with what I was first trying to say, taking the lowest shrinking New Zealand cargo, that shrinking only 24 per cent, and the actual tariff duty on the unskirted would have been 4.8 cents per pound instead of the nominal duty of 11 cents.

That the nominal tariff duty of 11 cents per pound has at no time added anywhere near that price per pound to the price of American-grown wools, I submit the following table, which I take from the Report to the House of Commons, 1903, as to London prices; the Boston price for "territory" wool at the Boston market during those same years from the Woolen Manufacturers' Bulletin. Here is the result. I was surprised when I went into this:

Under the Wilson bill our wool actually sold for less in the Boston market than the same class of wool in the London market. The market for wool was destroyed. It was brought not only to the level of the London market, but included the difference in transportation from the western ranges across the continent and the ocean and commission charges to London.

The western woolgrower received the London price, less freight and commission charges from the western ranges to the London market.

Here is a comparative table of prices, showing the prices of wool in London and Boston during the seven-year period from 1896 to 1902.

The Australian crossbred is a little superior in quality to our western "Territory" wool, while the Buenos Aires, or Platte, wools are a little inferior in quality to "Territory" wools.

Years.	London price.		Boston price—"Territory."
	Australian cross bred.	Buenos Aires.	
	Cents.	Cents.	Cents.
1896.....	18	9	11.33
1897.....	17.2	9	10
1898.....	15.2	9.8	16
1899.....	17	13.8	14.66
1900.....	16.8	10.6	20
1901.....	11.8	9.2	16
1902.....	12.6	10.4	14

Mr. SMOOT. I would like to ask the Senator a question. The prices named at Boston, I suppose, are the quotation of Territorial wool?

Mr. DIXON. Territorial wool.

Mr. SMOOT. I judge the prices named are at the point of shipment; not at Boston.

Mr. DIXON. I took it from the American Wool Manufacturers' Bulletin, and it professes to give the average Boston price.

Mr. SMOOT. I think, if the Senator will look it up, he will find that they are prices at the point of shipment.

Mr. DIXON. It is the Boston price. I think I am correct in that.

I could not get the specific quotations for Australian crossbred and Buenos Aires from 1902 down to the present year, but in Statistics, Worsted and Woolen Trades, issued by the Bradford (London) Chamber of Commerce, I quote:

Years.	London price—average for all wools (grease).	Boston—"Territory" (grease).
	Cents.	Cents.
1903.....	16.52	16
1904.....	17.40	16
1905.....	18.58	20
1906.....	20.35	23.50
1907.....	20.65	22.65
1908.....	18.68	22.65
1909.....	19.06	20

From these tables it is perfectly apparent to any sane man that the tariff on raw wool during the past 15 years has added to the cost price of a suit of men's clothing not to exceed 25

cents. The cry of "free wool and cheap clothes" is ridiculous and absurd.

The much-abused sheep herder, in all due humility, enters a plea of "not guilty" to the indictment of "high-priced clothing."

The patent, automatic "skirting clause" has absolved him from that charge.

Mr. President, just a little divergence here, I think, will prove interesting. These wool samples were sent me by Jeremiah Williams, of Boston, and I have the actual samples here. This is 13-ounce serge cloth made from this class of wool. This first sample is made from fine Australian imported wool, corresponding to the territorial wool. It is pure wool, 56 inches wide, and sells on the market, so Mr. Jeremiah Williams wrote me, at \$1.44 per yard net. This is a piece of serge of the same class made from American territorial wool. Here are the two pieces. You can not distinguish them apart.

Here is a coarser grade of serge. It is made from quarter bloods and half bloods American wool, selling wholesale at \$1.20 and 95 cents per yard, serges that are worn and out of which tailors make handsome suits of clothes.

Mr. President, it takes 1½ pounds of scoured wool to make 1 yard of that fine serge weighing 13 ounces. It takes 2½ pounds of greasy wool to make that 1 yard of 13 ounces, \$1.44 a yard serge, the highest on the market. Three and one-half yards of that will make a suit of clothes. Nine and a fourth pounds of this wool in the grease, at 20 cents a pound, which is a high market price, would make the total cost of the raw wool in that suit of the highest grade of serge \$1.85. Three and one-half yards of that serge, at \$1.44 per yard, wholesale price, make the total cost of the wool cloth that goes into the suit \$5.04, for which suit the tailor charges you from \$45 to \$55.

On the cheaper grades of 15-ounce serge made from one-quarter blood, costing at wholesale \$1.06 per yard, the total cost of the woolen goods that make up the suit is \$3.72. This tailor-made suit is made out of the very finest grade of serge, and is almost exactly the suit of clothes I have on, for which I paid George T. Keen, a local tailor, \$55. The wholesale price of that woolen cloth was \$5.04. During the past five-year period there has been an average of about 4 cents a pound difference between the London and Boston wool market on the same grade of wool, unless I am totally misled by these figures that I have delved into with patience and perseverance, from every source in the Congressional Library. There is a difference of about 4 cents a pound between Boston and London on account of our tariff. The 9½ pounds of this wool in the grease make just 37 cents difference in tariff duties on account of the American-grown wool in that suit of clothes, made of that highest priced cloth on the desk.

THE MANUFACTURER.

But after the "skirting clause" has largely dispossessed the woolgrower of his protection let us see what is the result so far as the manufacturer is concerned.

I again call your attention to the statement of Edward A. Greene, the Philadelphia manufacturer, who was chairman of the commission that arranged the wool samples for the custom-house officials under the act of 1890:

The Dingley law is better for the manufacturers than any law they ever had, but worse for the woolgrowers than any—except the Wilson law—since 1867. (See Woolgrowers Bulletin, Nov., 1897, p. 23.)

The Boston Commercial Bulletin, when the woolen schedule of the Dingley tariff bill was pending, boasted of New England's ascendancy in the Senate. Its issue of May 22, 1897, said:

The Finance Committee of the Senate is Senator Aldrich. The other members are either too infirm for work or absolutely under the domination of the strong-willed man from Rhode Island.

The old Dingley wool schedule was taken over into the present Payne Tariff Act without change, so far as the duty on raw wool is concerned.

Under its provisions the manufacturer has a "compensatory duty" given to him for having theoretically paid 11 cents per pound tariff duty on his raw wool in the grease and is allowed the full theoretical 33 cents that he is supposed to have paid in tariff duty on every pound of weight in yarns and blankets on the cheaper grades, and 44 cents per pound on the better grades, and in addition to this "compensatory duty" on the "raw material" he is also given his ad valorem "protective" duty of from 50 to 60 per cent.

Let us take the case of the actual shrinkages on the 60 samples of "skirted" wools that Mr. Hagenbarth had scoured in Boston from a 300-pound lot of "skirted wool" actually imported, on which the manufacturing importer paid \$33 tariff duties. From this 300 pounds of skirted wool he secured 190 pounds of scoured wool in place of the 100 pounds of scoured wool contemplated in the schedule. This 190 pounds of scoured wool represented for a "compensatory duty" 570 pounds of wool in the grease. When the manufacturer spins this into

yarn, that same yarn immediately takes a "compensatory duty" of \$62.70 on the cheaper grades and \$83.60 on the higher grades of manufactured cloth—the importer having only actually paid \$33—and the 50 per cent protective duty in addition.

In other words, under the working of this joker of the skirting clause the manufacturer would get the compensatory duty of \$62.70 on the lower and cheaper grades of cloth and \$82.60 on the finer grades. The ad valorem comes after that.

THE WOOLGROWER.

When you talk about the "inequalities of Schedule K," let no man be so unkind or unjust as to charge up anything to the poor sheepman, living his lonely life, with wife and children, away out in the sagebrush and bad lands, with his faithful dog patiently guarding his band of sheep from the ravages of coyotes, the poisonous loco weed, and rattlesnakes in summer and the freezing storms and blizzards that sweep across his range in winter—half his life isolated from the society of his fellow man and the comforts of civilization, that through his humble toil the American people may be warmly clothed.

The skirting clause in Schedule K has for the past 15 years taken from his lean pockets most of the benefits of his "protection" and by a legerdemain unknown and foreign to his honest nature has transferred the long end of his "protection" to the eastern manufacturer.

The western woolgrower is somewhat discouraged. Between the bounties showered upon him by the operation of the skirting clause and the activities of his friends, the "wool buyers," representing the commission houses of the East, who expend a good portion of their energy in sending out professedly friendly tips in the way of "wool circulars"—instructing him in all the various and mysterious rumors that tend to make a low market around shearing time—he hardly knows the truth about the wool tariff.

I hold in my hand a wool circular sent out on July 15, 1911, by Justice, Bateman & Co., wool commission merchants, Philadelphia. It was sent broadcast to the woolmen of Montana.

The whole trend of the so-called information in this circular is to cause the woolman out West to believe that "there is danger of the Underwood bill passing the Senate." It also contains an open letter addressed "To the President." I quote:

I must therefore appeal to you, Mr. President, to apply your veto to this destructive bill, if it reaches you.

A prominent wool man in my State, who has not yet sold his wool clip, was greatly alarmed over the impending danger so graphically set forth in Mr. Justice's letter to the President. He sends it to me with the added postscript:

If the Underwood bill is passed the sheepmen of Montana are broke.

Of course they would be in the event of the happening of such an impossible contingency.

Justice, Bateman & Co. on July 15 knew just as well as every other man in this Chamber knows that there was no possible danger of the Underwood bill passing this body and becoming a law.

I further quote from this circular that naturally tended to cause a stampede among the woolgrowers of the West to sell their wool clip at a ruinous price to the wool commission men's agents who were on the ground ready to take advantage of the fears of the woolgrowers. I read from the circular:

The voting of the Republican insurgents (so called) at the extra session, however, has upset all confidence in any legislative body, and trade calculations have been deranged by the action of these progressives.

I further quote:

As these insurgent Congressmen nearly all come from woolgrowing sections, the trade has been rather bewildered, and have lost confidence in price stability, and are pushing the sales of their wools at very little above its London or free-trade value.

I presume he referred to the action of 19 Republican Senators from the West in voting against free trade in farm products under the name of Canadian reciprocity, while still retaining tariff duties for eastern manufacturers.

I am informed by the wool men of Montana that these eastern wool commission houses, by spreading mysterious rumors of the probable passage of the Underwood bill, and "pulling their buyers off the market," did within a week's time force down the price offered by them to the woolgrowers from 18 to 13½ cents per pound.

I think it is probably true that these western Republican Congressmen have the interests of the western woolgrowers about as close to their hearts as these commission men from Philadelphia and Boston. We at least hope so, anyway.

In my mail yesterday morning I had a signed letter from Mr. Theodore Justice, inclosing a marked copy of the Daily Trades Record of July 24, containing an article by "Bronx," who, I apprehend, is undoubtedly Mr. Justice himself, as it contains many of the identical tables and language set forth in the

Justice, Bateman & Co. "wool circular." In a paper slip attached, marked in big printed letters, appeared "Read from here down." I notice a severe attack and arraignment of Senator LA FOLLETTE's wool bill. I notice, however, that LA FOLLETTE's bill does give the woolgrower 40 per cent protection on his wool, with the skirting-clause joker eliminated, which is fully as much real protection as the sheepman is now getting with the skirting-clause joker in the present law. I think myself that Senator LA FOLLETTE has made the duty too low on the coarse carpet wools of class 3 in the present law.

Yet Judge William Lawrence, the great exponent and defender of the wool tariff as applied to the woolgrower, in his historic address as president of the Ohio Woolgrowers' Association in 1898, in discussing the iniquities of the present skirting clause and the inadequate protection to class 3—coarse carpet wools—of the present law, said:

And yet the wool circular (Justice, Bateman & Co., Feb. 1, 1898) erroneously and absurdly speaks of third-class wools, such as we do not largely produce and such as compete with our own production.

Judge Lawrence added:

The fact is, these wools injure American woolgrowers more than any other.

In this marked copy of the Daily Trade Record, which Mr. Justice sends me with the special admonition to "read from here down," I have carefully followed his directions. It is very interesting to me. After condemning Senator LA FOLLETTE's bill giving 40 per cent ad valorem to the woolgrowers, with the skirting clause eliminated, the article goes on to approve in glowing terms Senator Smoot's wool bill, which gives the woolman 9 cents per pound protection, with the skirting clause eliminated. LA FOLLETTE's bill gives the manufacturer about 50 per cent protection; Senator Smoot's bill gives them about 60 per cent.

The article in question, so highly approved by Mr. Justice, goes on further to say:

The wool trade generally are hoping that something like the Smoot bill, with the skirting clause restored, will be passed and passed quickly.

In his active campaign among western woolmen regarding tariff duties on wool, I want now to inquire, Whose interests does he represent? The manufacturer or the woolgrower?

I think I am safe in saying that the infamous skirting clause will never be reenacted in another tariff wool bill. Certainly not with the aid of western Republican Congressmen and Senators.

There is one provision in the Underwood bill, the La Follette bill, and the Smoot bill that I hope will be eradicated in each of them, and, for that matter, in every other wool-tariff bill that will ever be presented to this body, and that is with reference to the tariff on wool rags and shoddy.

RAGS AND SHODDY.

I appeal to Democratic Senators to listen to what I now state. We want a prohibitive tariff on wool rags and shoddy. Certainly no Senator by his vote wants to either encourage or permit the importation of either rags or shoddy, with their cholera-laden germs, from the refuse heaps and filth of European and Asiatic cities, where they have been picked by the vigilance of the foreign ragpicker. I fully agree with the statement in the last circular issued by Justice, Bateman & Co. regarding the duty on rags.

It is stated that these foreign rags and shoddy always contain more or less germs. Only a few of the mills subject rags to germ-destroying processes. The majority of the mills simply grind them up and remanufacture them into cheap shoddy clothing.

I am glad to say that the present tariff does place a duty of 10 cents per pound on rags, which is in effect prohibitive.

PRESENT CONDITIONS AFFECTING WOOLGROWERS.

Mr. President, if the duties on raw wool were equitable at the time the law was passed in 1897 and as reenacted in the law of 1909, then by all the rules of reason they should not be diminished now.

The woolgrower of to-day faces an entirely different problem than he did in 1897.

The cost of production is far greater now than then.

The free range of that day is gone now. To-day the woolgrower is from necessity obliged to put at least twice the amount of money into his plant and equipment that he did 15 years ago.

He must now own the majority of his range lands, where then he had their free use. He must now pay a grazing tax for the pasture within the forest reserves, which were free then. He must to-day pay to the sheep herder a wage of \$50 per month, where he paid \$30 15 years ago.

THE TARIFF COMMISSION.

Mr. President, the cold business logic of the present situation demands that no wool tariff revision bill be passed at this extra session of Congress.

Two years ago, as one of the provisions of the Payne-Aldrich Tariff Act, we provided for a Tariff Commission, with powers to investigate and report to us the conditions surrounding production at home and abroad. We then gave our allegiance to the principle as enunciated in the last Republican platform—that tariffs should measure the difference in cost of production at home as compared to the cost of production in foreign countries. On that platform and by that principle I stand. No matter what may be the pressure in some quarters for tariff revision, I believe the people of this country have, irrespective of their party politics, prepared to accept in the future only those tariffs that are made upon that fundamental principle.

THE UNDERWOOD BILL.

The House Underwood wool tariff bill has been hastily prepared, without even a hearing by the House or Senate committees. Nobody knows or dare prophesy its effect on the wool industry in the United States. But we all do know that it has been written not from any accurate information as to conditions affecting either the growing of wool or the manufacture of woolen goods.

It would be hardly less than a crime for this Senate to enact that bill into law when we know that it has been presented purely as a political measure, intended solely for use in the next presidential campaign.

I am broad enough to know that the woolen manufacturer must also have sufficient protection to offset the cost of labor here and in Europe. We all admit that labor here is paid twice, and, in most cases, three times what it is paid in England, France, and Germany.

We know that it costs the woolgrower, paying the wages that he does here, more to produce wool on the ranges of Montana than it does in the Argentine or Australia.

It is known by all men that the Tariff Board has about completed its wide investigation regarding the cost of growing and manufacturing wool here and abroad.

It will be ready to submit to us its findings of fact next December.

We would belie every promise that we have made, prove false to our professed political platform, and act not as wise and conservative men and legislators if we do not await the report of the Tariff Board three months hence.

For that reason I shall vote not only against the pending House Underwood bill, but also against any and all bills proposing to amend the wool tariff at the present extra session.

Mr. President, you ask me what is my solution of the inequalities of Schedule K. I will tell you. Do away with the infamous skirting clause. Write the tariff duties in plain, every-day English that the sheepman in the West can understand the same as the manufacturer can understand it.

Give us 8 cents per pound duty on wools of the first and second class and 4 cents per pound on carpet wools, as McKinley wanted in 1890. Do away with the false and unwarranted "compensatory duty" above that which the manufacturer actually pays on imported wool.

Either do that or give us a duty of 25 cents per pound on the scoured product. There would be no subterfuge then. The woolman would know exactly the measure of his protection. Many of our woolgrowers, who have given the matter intelligent consideration, have arrived at the conclusion that the scoured basis is the sound basis.

I know that Mr. Hagenbarth, of Idaho; Dr. S. W. McClure, who is the secretary of the National Woolgrowers' Association; and A. K. Prescott, president of the Montana woolgrowers, and many others are in favor of the scoured basis.

Give the woolgrowers a tariff of that kind and I guarantee that within 10 years' time we will produce every pound of wool to supply the needs of the American people for clothing. We will restore a languishing industry to its old-time standard. We will retain here at home the \$100,000,000 that we are sending every year to foreign countries for the purchase of wool and woollens.

Doing this we will wrong no man. We will encourage trade and industry under the American flag and bring peace and plenty to our own people.

Mr. HEYBURN. Mr. President, I do not desire to enter upon a discussion of this question at any considerable length; but a few days since, when I was presenting some views upon it, I yielded, expecting at a much earlier day to complete the remarks that I was then engaged in making, so now I shall be brief.

Mr. President, the argument which has been made by the Senator from Montana [Mr. Dixon] requires his final statement as to the action that he should take to justify it. I do not believe that the woolgrowers of this country should be compelled to do business under a protective duty of less than 11 cents a pound. If the 11 cents a pound written in the statutes is a fiction, then I would, instead of writing down the 11 cents, write out the fiction.

Mr. DIXON. That has been the whole trend of my argument this afternoon.

Mr. HEYBURN. The woolgrowing and sheep-raising business, for some reason, is not in that prosperous condition at this time that it was expected it would be. I have here from current papers this statement:

Idaho growers are in hard plight—Eastern market quotations on sheep declared ruinously low—Shipments likely to show marked falling off unless change is made—

This is not an article written by somebody for the purpose of affecting votes in the United States Senate, but this is the current statement of the condition of the market in the midst of a very large sheep and cattle producing country. I will not read it at length, but I will simply read a portion of it.

Although up to date an Idaho firm, Le Moyne Bros., of Hagerman—That is, as I have said, in the midst of a sheep-producing country—

have received the top price on the Chicago market for February lambs, which was \$7.30 per hundredweight, the conditions in the eastern mutton markets in general are not at all encouraging to the sheepmen of this State. The consensus of opinion is that present prices on sheep are ruinously low, and a radical change to higher prices must soon set in or Idaho growers will lose heavily this year, as they did the two previous years, according to local authorities.

An examination of the testimony of Mr. Hagenbarth and of that of other sheepgrowers in Idaho will confirm that statement as to existing conditions in regard to the raising of sheep. Mr. A. J. Knollin, a citizen of Idaho, who is one of the large sheep raisers, appeared before the Senate Finance Committee and gave it the benefit of his actual experience on one of the largest sheep ranches in Idaho. He has gone with great exactness and detail into the cost of producing sheep. He has taken a year's business as a basis and given us every item and figure, which discloses the fact that sheepmen in Idaho are not making any money. They are simply continuing in the business in the hope that agitation will cease pretty soon and that the business mind will settle down long enough for stability in prices to be reestablished. Mr. Hagenbarth, the largest sheep raiser in Idaho and a very large cattle raiser, testified before the committee to the same effect. He gave the figures, he gave the cost of every item, and he gave the product of every sale by item. I am going to ask to insert in the RECORD as a part of my remarks these statements which were made before the Senate Committee on Finance, or otherwise I should read them, and I do not care to take the time of the Senate to read them.

I desire first to incorporate Mr. Knollin's tables and statements in this regard in the RECORD as I have prepared them.

The PRESIDING OFFICER. If there be no objection, permission is granted.

The matter referred to is as follows:

I can not better confirm the fallacy of such statements than by submitting for your consideration figures on the operation of a ranch in Idaho for the past decade.

The statement offered by Mr. Knollin follows:

Résumé of operating expense of Knollin & Myrup Ranch, situated in Blaine County, Idaho, near Howe post office, for a period of 10 years, 1899 to 1909, inclusive.

	Monthly average.	Yearly average.	10 years.
Labor:			
Common, employed on ranch.....	\$224.35	\$2,692.20	\$26,922.98
Technical—			
Blacksmithing.....	8.70	104.26	1,042.63
Water master.....	1.80	21.60	216.00
Thrashing expense.....	9.90	118.74	1,187.45
	20.40	244.60	2,446.08
Skilled—			
Office expense.....	8.70	104.37	1,043.73
Surveying.....	1.26	15.15	151.50
Water suit.....	1.35	16.28	162.87
	11.31	135.80	1,358.10
Total labor.....	256.06	3,072.71	30,727.16
House expense:			
Provisions.....	19.02	228.30	2,283.09
Household furnishings.....	5.70	68.43	684.34
	24.72	296.73	2,967.43

Résumé of operating expense of Knollin & Myrup Ranch, situated in Blaine County, Idaho, near Howe post office, etc.—Continued.

	Monthly average.	Yearly average.	10 years.
Maintenance:			
Equipment, harness and machinery.....	\$25.40	\$304.88	\$3,048.89
Improvement, fence, etc.....	2.78	33.37	333.74
	28.18	338.25	3,382.63
Feed, used on ranch (fed to work horses, milch cows, and hogs).....	91.71	1,100.58	11,005.87
Seed, used in seeding for crops.....	30.46	365.50	3,655.00
Interest: 6 per cent on land investment, 8 per cent on other investment.....	127.67	1,532.03	15,520.38
Taxes.....	13.09	157.09	1,570.91
Railroad expense:			
Freight.....	1.64	19.70	197.06
Railroad fare.....	1.77	21.30	213.08
	3.41	41.00	410.14
Expense of foreman and employees away from ranch on business:			
Meals, lodging, and horse feed.....	5.21	62.55	625.57
Sundry expenses.....	3.80	45.67	456.71
Livery.....	.77	9.28	92.80
	9.78	117.50	1,175.08
Land leases.....	.38	3.78	37.82
Salt.....	.43	5.15	51.55
Total expense for 10 years.....			70,503.97
Average yearly expense.....			7,050.39
Average monthly expense.....			587.53

Summary, expenses, and income for 10 years, Knollin & Myrup Ranch.

EXPENSES.	
Per itemized statement above.....	\$70,503.97
INCOME.	
Crops sold.....	\$59,308.78
Profit on live stock.....	7,335.35
Appreciation on real estate.....	2,915.00
	69,559.13
Loss for 10 years.....	944.84
Average loss per year.....	94.48

CROPS SOLD.	
Wheat, 195,142 pounds, average hundred-weight, \$1.09.....	2,131.38
Oats, 1,040,450 pounds, average hundredweight, \$1.06.....	11,131.69
Barley, 190,480 pounds, average hundred-weight, \$1.11.....	2,111.84
Hay, 8,681 tons, average, \$4.30.....	37,336.97
Beets, 133 tons, average, \$4.40.....	585.38
Peas, 2,740 pounds.....	41.00
Pea hay, 1 stack.....	200.00
Alfalfa seed, 13,290 pounds, at 15 cents average.....	2,046.85
Broom corn, 1,250 pounds, 10 cents average.....	125.00
Potatoes.....	320.69
Pasture.....	1,101.80
Straw.....	365.00
Unclassified.....	1,812.18
	59,308.78

Profit and loss.		
	Loss.	Profit.
1901.....	\$5,865.86	
1902.....	871.94	
1903.....		\$199.69
1904.....	646.64	
1905.....		1,634.89
1906.....		1,157.89
1907.....		2,207.40
1908.....		1,107.36
1909.....		714.38
1910.....	582.01	
Balance.....		944.84
Net loss.....	7,966.45	7,966.45

Mr. KNOLLIN. I am submitting for your information figures representing the operation for a ranch in the State of Idaho that, in its richness of soil and its general lay for economical irrigation and handling, is far above the average Idaho ranch. The figures and the statement can be verified by bills and vouchers; they are absolutely correct. You will note the monthly average, the yearly average, and the total expense for 10 years. For my illustration, we will use the latter figures. You will note that the largest item is labor, \$30,727.16, and the next largest item is interest on the investment, \$15,520.38. The next largest item is for feed used on the ranch for ranch horses, for milk cows, and hogs, and I will add, for the feeding of beef for home consumption. This feed so used was raised on the ranch, credited to crop account, and charged back to expense. The expense for seeds, \$3,655, is in part handled the same way.

The ranch produces the greater part of the seed that has been used. We have the item of incidental expense, when our foreman and employees are away from the ranch attending to business connected with the ranch, amounting to \$1,175.08. This, you will note, only figures \$9.76 per month, being good evidence that the expense

incurred did not include grand opera or long pleasure trips made and charged up to the expense of running the ranch. The taxes amount to \$1,570.91; land leases, \$37.82; and salt, \$51.55. Then we have household expenses amounting to \$2,967.43, and equipment amounting to \$3,382.63, the total expense of the two being \$6,350.06. In explanation of the light household expenses I will say that practically all of the meat and vegetables used on the ranch have been raised; and of the light maintenance expense, that the fences and buildings have been made mostly of poles and logs, so that the large part of the expense of buildings has been in the labor. The total of these two, however, as given—\$6,350.06—represents the actual outlay of money, and it is the commodities making up this amount that I presume we might hope to buy at a less cost, in accordance with the theory of people who want lower cost of living. For the purpose of illustration, we will suppose that a saving of 25 per cent could be made on this \$6,350.06, which will amount to \$1,587.51. You will note the crops we sold amounted to \$59,308.78, and there was a profit made on live stock amounting to \$7,335.35, making a total income of \$66,644.13.

It would require but 2.2 per cent reduction of the income to offset \$1,587.51 that we assume we might save. I will ask you if the farmer and the ranchman may expect a difference of 22.8 per cent in the value of the products he sells and the necessities he buys, under the proposed Canadian reciprocity treaty? Is it not more logical to conclude that if by this treaty a saving of 25 per cent could be made on purchases, that a loss of 25 per cent would be sustained on sales? I fail to see how one could look at the proposition in any other light. This being true, we find from the figures we are dealing with that there would be a loss sustained on crops sold of \$16,661.03, as against the saving of \$1,587.51, or a net loss of \$15,073.52. How shall we offset this loss? You will note for the 10 years this ranch has sustained a total loss of \$944.85, although during the time the property has appreciated in value \$2,915. We have no surplus account from which to take this loss, and if we study the figures carefully it will be seen that the only opportunity for offsetting the depreciation in crops would be to decrease the labor and the interest accounts. It has been my experience that when prices are good and times are prosperous that the interest charges go down, but that when times are hard we are obliged to pay a higher rate of interest for money to operate our ranches on, provided we can get it at all.

Senator GALLINGER. A moment ago you said \$1,500 loss. Do you mean to say \$15,000?

Mr. KNOLLIN. \$1,500 net loss. The statement will show just how that was arrived at. Now, we have our labor accounts, and you will see at a glance that to make up the 25 per cent depreciation in the value of the crops a reduction of 50 per cent would have to be made in labor. The laboring men, which includes the farmer, are the consumers of the country. When you cheapen the cost of living you lower wages.

Does that answer your question with reference to the carpenter and his plane?

Senator McCUMBER. Yes.

Mr. KNOLLIN. Thank you. Where is it the farmer and his family and the laborers on the farm and ranches spend their money? It is in the towns and cities, if you please. It is there they go to buy their clothes, their shoes, their hats, and for their amusements. Therefore, I am constrained to say out of the fullness of my experience that the leaders in the movement for the cheaper cost of living—honest, undoubtedly, in their opinions—are laboring under an error of mind. In the free-wool period, during Mr. Cleveland's administration, I was slaughtering sheep and lambs in Kansas City. I bought sheep and lambs at times at a little over the transportation and selling charges.

I sent this mutton out for sale with instructions to the drivers that they need not replace in coolers mutton that they could not sell, but throw it to the hogs. And during one fall I slaughtered over 7,000 sheep, the carcasses of which were either fed to the hogs or tanned for grease. This mutton was sold from one-half to 5 cents per pound. The retailers and restaurants that bought it of me could not meet their bills, because, they said, they could not collect from the people who consumed the meat, and therefore I quit business with accounts outstanding of between \$5,000 and \$6,000, which ultimately was a complete loss.

These are facts, and I will leave it to the thinking people of this country as to whether or not a period of cheap living is a beneficent condition. The Master said: "How can one enter into a strong man's house and spoil his goods except he first bind the strong man?"

Are not the words of the one perfect man, who knew no error of mind, of worth to us in the present day? Are they not as true and applicable now as 2,000 years ago?

I wish you would bear that statement in mind, should you refer to the products as shown in the statement. Last year we raised on that ranch 1,800 tons of hay, and, if I remember right, something like 500,000 pounds of grain.

It is 7 miles on the south to a neighbor and 11 miles on the north. The country intervening between these ranches has a productive soil, and would be just as productive as this particular ground were it cultivated, but it requires water, and what is necessary to get the water is capital with which to build reservoirs to store the water as it comes down from the mountains at flood time. That country could be made to produce a thousandfold over what it is producing to-day.

Senator HEYBURN. You produce your grain by dry-farming, do you not?

Mr. KNOLLIN. Partly; mostly by irrigation at that point.

Senator HEYBURN. They had a pretty good crop of dry-farm wheat there this last year, did they not?

Mr. KNOLLIN. Dry-farms are coming in there pretty fast, and they have good crops.

I fully realize that the consumer's interest must be considered, and I make this statement without fear but that I can prove it, that instead of there being an immediate need of our seeking and aiding in the development of new countries and new lands, we will not only feed our own people, but for centuries to come we will be able to materially assist in furnishing food for millions in less favored countries.

That is a little different from the stand that was taken by Mr. Hegenbarth in quoting Mr. Hill, of the Northern Pacific, but I have been out all my life through this great western country, and we are only scratching over it. Here last Sunday I spent the time in the country about Washington, and I was surprised to find a country 300 years old looking so near in its original state. Upon making inquiry, I was told that if I would go down into the timber I would find corn furrows there; that that country had once been cultivated and was productive. Now, it follows that when this country became a little worn the farmer moved to the new country in the West, a virgin soil, more easily worked than the New England hills. The pioneers there

built homes and established themselves, and it would be a crying shame if they were driven out of those homes, driven to lose the fruits of their labor by competition from lands north of us that can be had much cheaper and where opportunities for getting hold of those lands are greater.

In my own case, as I will show you, the sheep that we grow in Idaho that I will show you the pictures of are bred up from English stock, the best rams that we could buy, first in Canada and then in England. I have spent a great deal of money—spent all of the money that has come out of the sheep—to improve them. It was my ambition to breed flocks of pure-breed sheep up to the number of 10,000, but now I find myself without room for 3,200 on the national forest, and excepting that we have the mountain feed we can not grow this class of sheep. We have in Idaho, in another way, however, similar conditions that exist in England—green feed the summer through. In July and August, if you go up into these mountains, you will see the lambs playing on long drifts of snow. Below those drifts there will be flowers blooming. They have that succulent feed that produces an abundance of milk from the ewes, and the lambs grow fat.

Now, gentlemen, those conditions are impossible in the East, but the conditions that exist in England, where they sow turnips and have green feed in the summer, owing to their moister climate, those conditions can be worked out in our farming district, so that the sheep industry of the farms can be developed immensely in this country.

The CHAIRMAN. Will you please suspend your remarks for a few minutes, as Senator NELSON is present and has to attend a committee meeting and desires to address the committee for a few moments? If you will suspend now until Senator NELSON finishes, you may resume after he has concluded.

After remarks submitted by Senator KNUTE NELSON—

MR. KNOLLIN RESUMED.

Mr. KNOLLIN. Mr. Chairman, I was submitting a statement of the conditions as affecting the handling of sheep in which I am interested in Idaho. I was stating that it has been my ambition to build this flock of pure-bred sheep up to 10,000 breeding ewes. Senator NELSON, of Minnesota, has just covered very clearly what I have in mind. The opening of the markets of the United States to Canadian products, and with their desire to develop their country, I am confident that I can handle these sheep to much better advantage and handle them cheaper and find a larger market for them by moving those flocks to Canada. But I think to do so would be a real loss to the State of Idaho and to this country.

We have recently passed through a period of high-priced meats—this is especially true of hog products. It is not difficult to locate the reason for this. We had previously passed through a period of low prices. Hog raising was not only unprofitable, but was for some time conducted at a serious loss. This has been true frequently regarding the production of cattle and sheep. Extreme low prices lead to curtailment of breeding operations; extreme high prices stimulate production, and prices are extremely high or low, as the case may be. Neither of these conditions is ideal. A regular supply adequate to the demand, at prices reasonably remunerative to the producer and not burdensome to the consumer, are the desirable conditions. There are many things that enter into the cost of production, such as location as to distance from transportation, distance to market and cost of transportation, droughts and other adverse weather conditions. This is especially true regarding the cost of producing mutton. A hard winter means either enlarged expense for feed or loss of sheep, always a lighter and often a poorer quality of wool. A backward spring causes loss in lambs. I find in raising sheep in New Mexico, over a period of 12 years, my losses have averaged 5.6 per cent, with a maximum loss of 9.5 per cent and a minimum loss of 1.65 per cent; lambs raised have averaged 73.2 per cent, with a maximum of 93.76 per cent and a minimum of 50.2 per cent. The wool clipped has averaged 7.3 pounds—a maximum of 8.6 per cent and a minimum of 6.5 per cent. The wool has averaged to bring 13.7 cents per pound, with a maximum of 20 cents and a minimum of 8.7 cents. I am interested with others in sheep in Idaho—three outfits. About the same variation prevails there. You will readily see that all of these conditions affect the cost of producing mutton. A light loss, a good lambing, a good clip of wool, and a good price for it—mutton will be materially cheaper. Bad conditions, and it will cost higher.

I have brought out these facts to show that it is an absolute impossibility to produce mutton on a basis of a uniform close margin of profit. Averages are of little value, except when covering a period of years.

Our country, however, is so vast and its products so varied that we usually produce a sufficient quantity of meats, grains, vegetables, and fruits to supply our people bountifully at a reasonable average cost. We have, however, in this country a disturbing element, which, for the want of a better term, I will name tariff agitation.

Sheep growing is the most sensitive of all industries to the influence of the tariff for good or ill. Quick to anticipate disaster when threatened with competition from other countries, slow to recover confidence when again recognized as an important industry, and requiring encouragement for its continuance and development.

Under adverse circumstances, products of the factory can be quickly curtailed or cheapened to meet existing conditions, but sheep must be cared for just the same, even when the products are below cost and the investment loses a big percentage of its value. In 1885 there were in the United States 50,360,000 sheep, with a value of \$2.14 each, a total value of \$107,961,000. Affected by agitation for cheaper wool, followed by the Mills bill of 1884 and continued agitation, culminating in the Wilson bill of 1893 and the free-wool period, our flocks were reduced in 1897 to 36,819,000—a loss of 13,541,000 sheep, with a valuation of \$1.82 per head, amounting to \$67,021,000; a loss in sheep of 23 per cent; in value, 28 per cent. This was a disastrous period for flockmasters, and had it continued for a decade sheep would have been wiped off the map of the United States.

Mr. Chairman, during that period there was such anxiety on the part of the sheep owners to get rid of their sheep that they actually shipped them to market without expecting to receive any returns for the sheep whatever. The railroads would not accept the sheep for shipment unless the freights were prepaid. I remember one instance on the Kansas City market. Mr. Eugene Rust, then superintendent of the yard at Kansas City, came to me with reference to a shipment that had been in the yard for several days, and said, "What can we do with them?" No commission man would receive them, because they could not afford to assume the responsibility of the charges. I did not feel that I could handle them. The fact of their being cheap was no inducement to me to buy them. Finally, after figuring the thing over, I said, "If you will arrange with the Santa Fe Railway to take off \$12.50 freight and you will knock off the yardage of 5 cents a head, I will pay the bal-

ance of the freight and the feed charges and take the sheep," and I got them, Mr. Chairman and gentlemen.

Senator HEBURN. It is also true that the railroads would not accept wool in the sacks, delivered on the station platforms, unless the freight was guaranteed or prepaid.

Mr. KNOLLIN. That is true; and on shipments of horses, also.

Just at that time the sheepmen of Texas had leased lands, bought lands, and built fences to protect their industry—tied up the most of their capital, borrowing money on their sheep. When these hard times came, with low prices for sheep, they went down like a lot of ninepins. There was not in that whole country a solvent sheepman in three months after the passage of that Wilson bill.

The sheep industry, sick near unto death, was revived immediately upon the election of our honored McKinley, our greatest champion of the sheep industry, and when the Dingley tariff bill was enacted into law, in 1897, our flock masters, who had not entirely given up hope, struggling under burdens of debt, took up again with renewed energy the business they understood and loved. New capital and new men were attracted to the business, anticipating an advance in values.

Mr. Chairman, if during the past 14 years you have heard it said that the profits of sheep husbandry were unduly large, it was because of the legitimate enhancement of values and through speculation during such period.

I cited you to the ruinous loss in numbers and depreciation in value of our flocks during a period of adverse legislation. Consider now, if you please, the effect of following the McKinley and Blaine protective ideas with reference to reciprocal trade agreements. Having in 1897 but 36,818,000 sheep, with a valuation of \$1.82 per head, a total value of \$67,000,000, we had, in 1910, 57,216,000, with a unit value of \$4.08 and a total value of \$233,664,000, an increase in number of 50 per cent and in value of 248 per cent. In addition to the 20,398,000 live sheep gained, there were 5,000,000 increase in the number of sheep slaughtered. Gentlemen, these are facts that I trust you will carefully consider before you give your prestige to any bill that opens up a way for displacing our mutton and lambs. Continued protection to this important industry means a further rapid increase in our flocks, and it will be but a short time until we produce in the United States all the wool needed and largely augment our meat supply. The man who has his capital invested, much of it borrowed, knowing the close margin upon which he is working, looks upon the movement for a lowering of prices of his products—mutton and wool—with extreme apprehension; and even now, having a vivid remembrance of the ruin wrought by free wool, he is seeking safety from utter ruin by sale of his sheep. I have absolute knowledge that to-day the majority of the range sheep in the United States could be purchased at a discount of one-third of their value of a year ago. This means for the sheep grower that the profit earned above a very low interest on money invested during our period of prosperity has been wiped out and sheepmen again find themselves burdened with debts and their credit greatly curtailed.

Senator GALLINGER. The suggestion is now being made that the duty on wool should be reduced to 5 cents a pound. What do you think that will result in?

Mr. KNOLLIN. Senator, I think that would result in a rapid decrease in our flocks.

Senator GALLINGER. It would not be quite so bad as free wool; it would make some trouble for the sheepmen, would it?

Mr. KNOLLIN. If we built a fence to confine cattle, and we left off the top board that was necessary to keep those cattle from going over that fence, our fence would be of little value.

Senator HEBURN. If you take one of the four wheels off a wagon, you would disable the wagon.

Mr. KNOLLIN. Not quite so bad as taking off the fifth wheel, but it is bad enough.

Mr. Chairman, I desire to read a letter addressed to Mr. McClure, secretary of our association—or, rather, it is addressed to the Congress of the United States, through Mr. McClure, our secretary:

To the Congress of the United States:

(Through Hon. W. S. McClure, secretary National Woolgrowers.)

George J. Currin & Sons have the second largest sheep and wool plant in Morrow County, Ore. We have owned and conducted this plant since 1904; our concern involves 20,000 acres of deeded land and 12,000 sheep. We are in debt about one-third the value of this property. We have put the savings of two generations of pioneer life, since 1845, in here. In the first of these years we were enabled to accumulate some means and add to and make our concern what it is in land and sheep; under ordinary circumstances we ought to be able to make some money now, but with the added expense of summer range, the high price of competent help, and the high price of living, we will be unable to do so. In 1910, a year of ordinary sales—not up to the average—we sold off our place in yearling sheep and wool \$30,000 worth. After hiring 15 to 30 men for every day in the year and paying all other expenses of a plant of our kind we barely had a margin of profit. This year, 1911, with prospects of putting wool on the free list and the kindred feeling of the sheep interests, we are compelled now, in April, 1911, to sell yearling mixed sheep for \$2 per head, while one year ago the same quality yearlings readily brought \$3.50 per head. One year ago the average price of our quality of wool sold here in the fleece for 15 cents. The prospects to-day are that this year's clip will sell at one-third less in price than last year, and, in fact, there are no buyers in sight at any price.

The Congress can readily see where the sheep and wool business has gone out here in Oregon in one year with the simple agitation of the putting of wool on the free list. If you or any set of living men can calculate how we can stay in the business and live—with high labor (for we can not cut wages when only the very best that money will hire will answer our purpose), high living expense, and high taxes—you can do more than humanity in these parts have been able to do. We are anxiously awaiting the termination of this agitation of the tariff question. Meantime we are offering our lands for sale at the minimum price, and we are willing, with the present prospects in view, to go out of the business. But until such time as we can close out our affairs we, the three of us, with all we have put into this sheep business and the chance of losing it all through this depression, absolutely expect to work for nothing.

Very respectfully, yours,

GEO. J. CURRIN & SONS,
Heppner, Morrow County, Ore.

APRIL 26, 1911.

Gentlemen, I could fill a volume with just such expressions from men that are engaged in the business.

Sheep growing, having a valuation in 1910 of over \$233,000,000, and represented and owned by about 785,000 men, should be of importance

enough in itself to make the industry worth preserving. However, if its rights of existence are dependent upon something more than intrinsic value, I can cite to you many reasons of great importance.

From personal experience and knowledge of the West, I do not hesitate to assert that sheep husbandry has advanced that vast domain in wealth a quarter of a century. The men who have been and who are to-day developing the West are the home builders. In the early days, when mining and cattle growing predominated, towns were small and far between. It has been said of the first railroads that were built that they seemed like bridges thousands of miles long, connecting the fertile spots between the Atlantic and Pacific Oceans. The development of this vast region is one of the marvels of all ages. It commenced, as we know, when the man with the plow came. At first progress was slow, discouraging to stay, impossible to leave. There was land everywhere, natural grasses, flowers, and weeds, virtually free for the man who could utilize them. Following the pioneers came the sheep. They for a time subsisted upon the natural grasses and browsed the year round, but it was soon found that it was more profitable to feed during the winter months than to take chances of heavy losses. The sheepmen became the buyers of the products of the farmers, the farmer and the flockmaster working hand in hand, frequently the flockmaster becoming also a cultivator of the soil and the farmer also a flockmaster as well. By this happy alliance grasses that had for ages flourished and died or been consumed by buffaloes and wild horses became converted into money, and so it has continued until the present time. I myself have bought the farmers' product—corn, oats, and hay—in Kansas and Nebraska at from 10 cents to 75 cents per bushel for the grain and from \$1.50 to \$10 per ton for hay.

When transportation became convenient and cheaper and the East developed her great manufacturing industries and required food supplies, the Middle States were prepared—and sheep husbandry, mind you, had been of untold benefit in this preparation—so when the products of the farm became too valuable for profitable use by the sheepmen they followed on after the man with the plow—westward. The plains lands of Colorado, moistened by the waters of the snow-capped peaks of her mountains and kissed by the warmth of perpetual sunshine, yielded bountifully to the husbandman, and soon he found himself in the same position as were the farmers in the earlier days in Kansas and Nebraska, possessed of surplus products and without a market.

In Colorado, I myself have bought alfalfa hay at from \$2 to \$8 per ton; wheat and barley at from 55 cents to \$1.25 per hundred-weight. These extreme low prices prevailed in the latter eighties and early nineties, but with the growth of the sheep-feeding industry in Colorado—for several years past there having been fed in that State about 1,000,000 sheep and lambs a year—the Colorado farmer is insured a stable market for his hay and his grain.

Gentlemen, it is little less than a crime that the feeders of sheep and lambs scattered now throughout the East and West and the Middle States, should make a loss on this last winter's feeding, conservatively estimated at \$6,600,000. There is no question but what the agitation for free wool and mutton is largely accountable for this disastrous loss. Do you think—permit me to ask—that these serious losses will encourage and perpetrate the production of mutton? Most surely not. On the other hand, I know many men who are completely discouraged and who say that as long as they must take chances of ruinous markets, caused by needless and thoughtless agitation, they will never again feed a sheep.

In confirmation of my opinion, I will read a letter from Senator W. H. Drake, of Fort Collins, Colo. Senator Drake has fed a great many lambs and sheep for 20 years. He is a man well posted on affairs and competent to judge of the effect of adverse legislation.

He was State senator for two terms and member of the State board of agriculture for a number of years and has given much of his time and worked hard for the upbuilding of the agricultural resources of Colorado.

FORT COLLINS, COLO., May 11, 1911.

Mr. S. W. McCLEURE.

MY DEAR SIR: Your letter received and contents noted. I am very sorry that I can not come and testify before this committee. The truth is that I fed 43,000 lambs this winter and lost so much money that I can not even spare the time.

The thought that the Democrats were going to take the tariff off wool has cost my partners and myself between forty and fifty thousand dollars this winter. If Congress admits frozen meats free it will ruin both the grower and feeder. Our rich Colorado alfalfa lands will depreciate one-half in value in almost no time.

I further believe they are determined to do this and that no amount of argument will do any good. It will be necessary to establish free-soup houses in every block in the United States before people will change their minds. When they do we will have another period of 30 or 40 years of prosperity under Republican rule. That is after they get tired of soup.

Yours, truly,

W. A. DRAKE.

Mr. Chairman, along in January I met Senator Drake and he showed me some pictures. He had just returned from a trip in Canada—through the Province of Alberta—and he had several pictures of steers that he found grazing up there in the open country, and the pictures show, and Senator Drake says it is true, that those steers were in fine condition, almost good enough at that time for export purposes. Senator Drake was so much taken with that country that, having in mind that possibly the markets of the United States would be open to the products of Canada, he bought some land up there, bought it very cheap, land that can be irrigated, that cost him one-fifth of what his lands are worth but at Fort Collins, Colo. He looked up the matter of buying sheep in this country—lambs—and taking them up to that country, feeding them, and returning them to the Chicago market, and he found that he could do this: He could buy lambs in Montana, take them into that country, buy feed to fatten them, and return them to Chicago, with a shorter haul and consequently at a smaller freight rate, at less cost than he handles his business at the present time, going into New Mexico, Idaho, or Oregon and buying his lambs and feeding them in Colorado. He says, "I have my interests up there, and if they don't want me producing food products and employing labor in the United States I can go to Canada and do the work up there," and that bears out the statement that Senator NELSON made and Mr. Hagenbarth has made, and I could go on and name a great number of men I know, not drifters, if you please, but men, who, like Senator NELSON said, in the early days were accustomed to building their cabin out on the Government land with the hope that in time they might afford a more comfortable home. We can not get Government lands here at the present that are situated convenient to transportation, but there are

millions and millions of acres in Canada ripe and ready for the husbandman, and Canada is inviting us to come up there and help in their development.

I stated that civilization had been advanced in the great West by the sheep industry. Had it not been for the sheepman employing at times the ranchmen and their sons and providing them with a market for their hay and grains, it would have been impossible for them to have stayed.

The men with the plow and the men with the shepherd's crook, gentlemen, are the men who believe in founding homes and concerning themselves with the God-given blessings, mothers and children, churches and schools, and I defy any man to point to a considerable area of the great West where the creation of wealth and the advancement of civilizing influences have not been accelerated, if you please, by sheep husbandry. I think it would be true to say the same of New England and the eastern Middle States, for in the early days the pioneers therein were assisted in surrounding themselves with comforts by profits from woolgrowing.

I have still another very important reason to present. We need the sheep, gentlemen, for their industrial habits. They gather, when given the opportunity, from the waste places on our farms, in the fertile valleys of our mountains, from the hills, the rugged mountains, and from the desert, not only sustenance for their own living, but they provide food and raiment for the comfort of mankind and increase the productivity of the soil on which they graze.

In Utah and Nevada and part of Idaho and Oregon we have what is known as the desert country, land that up until the present time it has not been possible to provide water for irrigation, and there is practically no rainfall in the winter in that country. There is a little rain in the spring that starts the grass, and it grows sparsely, and there are hundreds of thousands of sheep taken out on those deserts in the winter, depending upon the snow in the foothills and the mountains and that which sometimes falls on the desert for water. There is no other animal that can live out on those deserts and gather in the feed that grows there, excepting the sheep.

Following the policy of retaining our home markets for our home products and the protection of our labor, we have outstripped our neighbors on the north and all other countries of the world in the development of our natural resources. Continuing this policy, we will not only be able to continue feeding our own people at reasonable prices, but we will also help, as we have and are now doing, to feed millions of people living under less-favored conditions.

I said the cost of mutton to the consumer had not been burdensome, and in confirmation of that statement I want to introduce into this record the average price of sheep and lamb sold on the Chicago market, and the Chicago market governs prices practically in all other markets, during 1910, as compared with a period covering six years, and I would like to have the tables, as shown on page 73, printed into the record. These tables are compiled by the Chicago Drovers' Journal, and I think when these figures are looked into no man can say that the high cost of living can be accounted for by the high cost of production, nor by the price the producer obtains for his products.

Monthly average prices (per 100 pounds) of sheep and lambs at Chicago during 1910, with yearly comparisons.

[Compiled by the Chicago Farmers' and Drovers' Journal.]

Months.	Native sheep.	Western sheep.	Yearling sheep.	Native lambs.	Western lambs.
January.....	\$5.50	\$5.65	\$6.75	\$8.20	\$8.40
February.....	6.10	6.75	7.70	8.50	8.75
March.....	7.15	7.65	8.40	9.30	9.50
April.....	7.10	7.65	8.00	9.00	9.15
May.....	6.40	6.70	7.25	8.15	8.50
June.....	5.00	5.15	6.20	7.35	7.65
July.....	3.95	4.30	5.30	6.80	7.15
August.....	4.00	4.25	5.45	6.40	6.80
September.....	4.20	4.25	5.40	6.40	6.85
October.....	4.00	3.90	5.00	6.55	6.70
November.....	3.75	3.70	4.90	6.15	6.30
December.....	3.85	4.00	5.10	6.00	6.20
Average for—					
1910.....	5.10	5.35	6.30	7.40	7.65
1909.....	4.95	5.00	6.00	7.30	7.50
1908.....	4.60	4.65	5.30	6.20	6.45
1907.....	5.20	5.25	6.00	6.85	7.10
1906.....	5.15	5.30	6.00	6.80	6.90
1905.....	5.00	5.05	5.80	6.75	6.90
1904.....	4.10	4.30	4.90	5.45	5.65
1903.....	3.85	4.10	4.90	5.40	5.45
1902.....	4.05	4.30	4.90	5.45	5.50
1901.....	3.75	3.85	4.30	4.75	4.85
1900.....	4.55	4.55	5.10	5.80	5.95
1899.....	4.35	4.30	4.80	5.45	5.50

Monthly average prices (per 100 pounds) for native sheep at Chicago for seven years.

[Compiled by the Chicago Farmers' and Drovers' Journal.]

	1910	1909	1908	1907	1906	1905	1904
January.....	\$5.50	\$4.85	\$4.75	\$5.10	\$5.35	\$5.10	\$3.85
February.....	6.10	4.85	4.90	5.15	5.00	5.50	3.85
March.....	7.15	5.30	5.75	5.35	5.20	5.50	4.30
April.....	7.10	5.50	5.65	5.45	5.35	4.95	4.70
May.....	6.40	5.90	5.40	5.70	5.45	4.60	4.90
June.....	5.00	5.25	4.80	5.80	5.30	4.70	4.30
July.....	3.95	4.65	4.10	5.25	5.15	5.10	3.80
August.....	4.00	4.40	3.90	5.25	4.90	5.00	3.60
September.....	4.20	4.55	3.65	5.15	5.10	4.75	3.50
October.....	4.00	4.40	4.05	4.75	4.80	5.20	3.60
November.....	3.75	4.50	4.20	4.40	5.00	5.20	4.05
December.....	3.85	4.90	4.20	4.10	5.00	5.15	4.50
Yearly average...	5.10	4.95	4.60	5.20	5.15	5.00	4.10

I have a statement I will file that gives detailed information as to the cost, and also as to the amount of money that is invested to grow a pound of wool, and detailed statement of expenses.

The cost of shipping our wool to Boston and selling it will run from 18 to 22 per cent of the gross proceeds, and about the same on our sheep. That is an expense that the grower of sheep and cattle out in the western countries can not get away from. In the future freights may become reduced as the tonnage becomes heavier over the railroads and they get their roadbeds and equipment in shape to handle it cheaper. Then we may benefit somewhat from that, but it would not lower our cost materially.

I desire, finally, to illustrate the possibilities of sheep growing, and for the purpose we will take the State whose agricultural possibilities have been so thoroughly exploited by the Hon. F. D. Coburn—Kansas.

East of the Missouri and Mississippi Rivers, with the farming States of Kansas and Nebraska added, we have about 19,000,000 sheep, one-third of the entire number in the United States. In this territory Ohio leads, having 3,110,000 sheep, or 76 to the square mile; Florida, one-third larger than Ohio, has 1½ sheep to the square mile, while Kansas, a State well adapted to sheep husbandry and twice the size of Ohio, has less than 3 sheep to the square mile. In this entire district we average 1 sheep to 47 acres. If Kansas, Nebraska, and Iowa had the same number of sheep per square mile as Ohio, they, with Ohio, would contain 19,000,000 sheep, the number now in this entire section.

Illustrating further, by comparison with other countries, France and Spain, each having an area equal to about four-fifths that of Texas, have, respectively, 17,500,000 and 13,750,000 of sheep; Texas has 2,000,000; Bulgaria, with an area a little less than Kentucky, has 3,000,000 sheep; Kentucky has 1,000,000; Greece, that very small country, which we associate with art and literature rather than shepherds and their flocks, has 4,500,000 sheep on its 25,000 square miles; West Virginia, having the same area as Greece, has but 625,000; England and Scotland have 304 sheep to the square mile, whereas Kansas, as I have already mentioned, has less than 3 to the square mile.

Now, Mr. Chairman, desiring to stock the State of Kansas with 60 sheep to each one-fourth section, after bringing into that State all the sheep from the other States in this eastern territory, we would be obliged to bring from Texas their 2,000,000 sheep, and assuming that it would be practical to stock Kansas with sheep on the same basis per square mile as Great Britain, having brought all the sheep from east of the Missouri and Mississippi Rivers and from Nebraska and Texas, we have left enough land untrodden by the golden hoof to care for the sheep of Colorado and Wyoming.

Having placed 29,000,000 sheep in Kansas, we need not, I think, feel alarmed about providing for their feed, having 2 acres for every sheep.

In 1909 Kansas produced 147,000,000 bushels of corn, 25,500,000 bushels of oats, besides millions of bushels of other grains that are suitable for feeding sheep; 350,000,000 tons of hay, and as much more sorghum, kafir corn, milo maize, and corn fodder—twice the quantity necessary for properly feeding the sheep.

If you have held in mind my quotation from the 1910 report of the Secretary of Agriculture that "the value of farm products has increased 186 per cent in 11 years," you will see that sheep have done their part toward making up this great increase in our agricultural wealth.

Gentlemen, if the products of the farms and ranches are reduced so that we can not get a fair profit out of them what will be the result? There will be a still greater flocking to the cities of the people from the farms, and history will repeat itself, and the farmers of the Middle West and the ranchmen of the far West will take up industrial enterprises, as has already been done in the Eastern States. "He is not compelled to dump his crops on the market at time of harvest." Why? Because "he has had a period of prosperity." With profits made, and, mind you, made legitimately, he has not only "paid off mortgages," but by the wealth created "banks have been established," and should prices be lower than cost of production he garners his harvest and holds until he can secure fair returns for his labor. Is it not better by far, Mr. Chairman, for the consumer, as well as for the producer, that this condition obtain? For, mark you, there is no record of successful corners in food supplies when the farmers' granaries and feed lots are full of grain and live stock.

Effect follows cause; and when this desired condition exists, the farmer and ranchman will furnish a regular supply to meet the demand of consumption. On the other hand, when prices are low and times hard, the harvest can not be garnered, but must be sold regardless of price, and this is the speculator's opportunity; he buys at prices so low that he can export enough of the crop to insure him a large profit on the balance by holding until the consumer must have it, and it is under such conditions that corners are successfully run. The bills we have under consideration, gentlemen, propose to place in competition with foreign countries the products of the farmer and ranchman, the only industries of our country impossible to trustify.

Mr. Chairman, I thank you for your attention to the statements that I have made. I have aimed in this preparation to be consistent. I am convinced, as I have stated, that the prosperity of this country depends greatly upon the prosperity of our farmers and ranchmen. If we are going to build, we must lay our plans, we must gather the material about us, and in order to do this and to employ workmen to do it we must have capital, and just to that extent that capital is forced out of the farming and ranch industry the industry will retrogress. As I have said, Mr. Chairman, I have some tables prepared here that will bear out the statements I have made with reference to the percentage of the gross proceeds that we obtain for our products that goes into freight transportation charges and other necessary expense.

(The following tables were here submitted by Mr. Knollin:)

Figures submitted cover actual business handled, covering a period of 12 years 5 months (Mar. 1, 1898, to Aug. 1, 1910, inclusive). Total number of sheep and lambs handled, 332,376 head.

Gross earnings.

	Number.	Amount.
Sheep bought.....	244,059	\$623,458.35
Sheep sold on market.....	17,401	35,819.75
Sheep on range.....	59,131	137,785.03
Sheep short.....	18,423	40,597.92
Sheep inventoried.....	237,421	562,273.65
Miscellaneous credits.....		9,326.41
Total.....	332,376	815,802.76

Gross earnings (increase sheep, 88,317 head).....	\$192,343.43
Gross earnings, wool, 1,446,966 pounds, at 13.7 cents per pound.....	197,897.64
Total gross earnings.....	390,241.07
Total cost of production.....	448,891.66

NOTE.—Expense of production of sheep and wool is apportioned on basis of relative gain on sheep and wool to total gain, or gross earnings.

Expense on sheep, 49.3 per cent of \$448,891.66.....	\$221,303.59
Expense on wool, 50.7 per cent of \$448,891.66.....	227,588.07

Number of sheep raised.....	88,317
Deduct losses of lambs.....	1,853

Net gain on sheep.....	86,464
Cost to raise same.....	\$221,303.59
Cost to raise 1 sheep.....	\$2.56
Cost to produce 1,446,966 pounds of wool.....	\$227,588.07
Cost to produce 1 pound of wool f. o. b. Roswell.....	\$0.1538

Investment and per cent of gain and loss.

Total investment for period.....	\$767,166.25
Total expense for period.....	448,891.66
Total gross earnings for period.....	390,242.04

Expense equals 58.51 per cent of investment; gross earnings equal 50.86 per cent of investment; loss, 7.64 per cent on investment.

Sheep raising.

Proportion of investment, 49.3 per cent of \$767,166.25.....	\$378,212.96
Proportion of expense, 49.3 per cent of \$448,891.66.....	221,303.59
Gross earnings on sheep.....	192,344.43

Net number of sheep raised, 86,464.

Investment per head on sheep raised.....	\$3.85
Expense per head on sheep raised.....	2.56
Gross earnings per head on sheep raised.....	2.22
Loss per head on sheep raised.....	.34

Woolgrowing.

Proportion of investment, 50.7 per cent of \$767,166.25.....	\$398,953.28
Proportion of expense, 50.7 per cent of \$448,891.66.....	227,588.07
Proceeds of 1,446,966 pounds of wool.....	197,897.61
Investment to produce 1 pound of wool.....	.299
Expense to produce 1 pound of wool.....	.1538
Proceeds of 1 pound of wool.....	.137
Loss on 1 pound of wool.....	.0168

Detailed and classified statement of maintenance of flocks.

How classified.	Amount of money.	Per head.	Distribution.				
			Labor.		Returns to manufacturers and distributors of supplies.		Shortage, account of natural death and by animals.
			Per cent.	Amount.	Per cent.	Amount.	
Labor.....	\$121,808.58	\$0.55	100	\$121,808.58			
Provision.....	29,909.84	.135	50	14,954.92	50	\$14,954.92	
Sheep short.....	40,597.92	.182					\$40,597.92
Salt.....	3,782.13	.017	60	2,269.28	40	1,512.85	
Sundries.....	35,734.00	.161	50	17,867.30	50	17,867.30	
Interest.....	64,129.14	.29					64,129.14
Shearing.....	15,826.19	.071	85	13,452.27	15	2,373.92	
Dipping.....	6,001.81	.027	75	4,501.36	25	1,500.45	
Taxes.....	9,448.37	.042	10	944.83			8,503.54
Feed.....	12,088.38	.054	75	9,066.29	25	3,022.09	
Outfit.....	10,900.43	.049	50	5,450.21	50	5,450.22	
Depreciation.....	5,354.50	.024					5,354.50
Improvement.....	16,593.09	.075	50	8,296.55	50	8,296.54	
10 per cent earnings on investment.....	76,716.68	.346					76,716.68
Total.....	448,891.66	2.02		198,611.59		54,978.29	

NOTE.—Based on average number of sheep on hand a full year. During the 12-year-5-months period we handled 332,376 head. Of this number there were inventoried the first of each fiscal year, or bought during the year, 244,059, and the difference represents the lambs raised. Some of these sheep were not on hand a full year, but equaled having on hand for the full period (lambs born not included) 221,142 head, which number is used in arriving at averages.

Summary.

	Amount.	Per head.	Per cent of total expense.
Labor.....	\$198,611.59	89.8	44.2
Returns to manufacturers, etc.....	54,978.29	24.8	12.3
Sheep short.....	40,597.92	18.3	9.0
Interest.....	64,129.14	29	14.3
Earnings (10 per cent).....	76,716.68	34.6	17.1
Depreciation on real estate.....	5,354.50	2.4	1.2
Taxes.....	8,503.54	3.8	1.9
Total.....	448,891.66	2.025	

Disposition of increase, 86,464 sheep.

Sold on market:	
5,665 feeder lambs (259,520 pounds, at \$3.29 per cwt.).....	\$8,543.32
4,124 feeder sheep (317,590 pounds, at \$5.22 per cwt.).....	16,567.80
7,612 fat sheep (694,860 pounds, at \$4.75 per cwt.).....	33,038.96

Gross proceeds (17,401 head).....	58,150.08
Shipping expense.....	\$9,668.76
Expense and feed at feed lots.....	12,661.57
Total.....	22,330.33

Net proceeds.....	35,819.75
Sold on range (59,131 head, at \$2.323 each).....	137,785.05
Sheep short (16,570 sheep, at \$2.45 each).....	40,597.92
Miscellaneous credits.....	9,326.41

Total (93,102 head, at \$2.41 each).....	223,529.13
Less decrease in flocks from original count and value (6,638 head).....	31,184.70

Net disposition (86,464 head).....	192,344.43
Gross proceeds (17,401 sheep and lambs sold on market).....	35,819.75
Gross proceeds (1 head).....	3.34

NOTE.—Of the 17,401 sheep and lambs sold on the market only 7,612 were sold for slaughter, and they had been fed at a cost, for feed and labor, of \$12,661.57, or \$1.65 per head.

We show that these 7,612 sheep sold for slaughter could be sold by wholesalers in New York City as follows:

7,612 fat sheep, weight 694,860 pounds, cost on market, Chicago, on foot.....	\$33,038.96
Sheep, dressed, 49 per cent, or 340,480 pounds, less pelts at 70 cents each.....	5,328.40

Killing expense, 25 cents each.....	27,710.56
Icing, 5 cents per hundredweight on 340,480 pounds.....	1,903.00
Freight to New York City, 45 cents per hundredweight on 340,480 pounds.....	170.24
Selling expense, 50 cents per hundredweight.....	1,533.78
Total.....	1,702.40

Total cost of 340,480 pounds to retailer in New York.....	33,019.98
Cost of 1 pound to retailer in New York, 9.7 cents.	

Shipping expenses.

Total expense (17,401 sheep).....	\$9,668.76
Shipping expense per head, 55.55 cents.	

Expense classified.

	Amount.	Per head.
Freight.....	\$7,220.92	41.5
Feed in transit.....	831.57	4.77
Feed at stockyards.....	49.52	.02
Yardage.....	806.75	5.0
Commission.....	760.00	4.26
Total.....	9,668.76	55.55

Shipping expense, 16.62 per cent of gross proceeds.....	
Shipping expense.....	\$9,668.76
Feed and expense at feed lots on 6,197 fed for market.....	12,661.57

Total expense against shipments to market.....	22,330.33
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Averages.

Average yearly investment.....	\$64,175
Average number of sheep handled yearly.....	19,665
Average per cent lambs raised.....	73.2
Average number of men employed.....	34
Average number of sheep handled per man.....	580
Average yearly wages, men (board included).....	\$540
Average monthly wages, men (board included).....	\$45
Average weight of fleece.....	7.3
Average selling price, wool (per pound).....	\$0.137
Average selling price of fleece.....	\$1.00
Average first cost of sheep.....	\$2.55
Average first cost, lambs marked included.....	\$1.87
Average first cost, sheep and lambs, inventoried.....	\$2.51
Average sale, sheep and lambs on market.....	\$2.05
Average sale, sheep and lambs on range.....	\$2.33
Average sale, all sheep and lambs.....	\$2.43
Average loss per head on sheep.....	\$0.34
Average loss per pound on wool.....	\$0.0168

NOTE.—On a basis of what we received for our wool, 13.7 cents per pound f. o. b. Roswell, N. Mex., and a shrinkage of 68 per cent, the clean wool would cost 53.53 cents per pound (plus scouring charges Boston) and on the basis of cost of production, 15.38 cents per pound, it would cost 58.78 cents per pound (plus scouring charge Boston).

Shipping expense on wool.

Freight (per pound).....	\$1.93
Gross value, freight commission warehouse.....	per cent 11.2
Charges grading, insurance, etc.....	\$1.50
Gross value.....	per cent 88
Total gross value to market.....	do 20

The following statements cover actual business handled covering a period of 10 years, 1900-1910. The business is chiefly raising thoroughbred rams.

Interest at 8 and 10 per cent for profit have been included in cost. Total number sheep and lambs handled, 80,711.

Gross earnings.

	Number of sheep.	Amount.
Sheep bought.....	54,991	\$270,384.85
Sheep sold on market.....	5,405	16,562.48
Sheep sold on range.....	16,655	141,860.65
Sheep short.....	7,538	23,151.15
Sheep inventoried.....	51,113	253,296.75
Miscellaneous credits.....		1,255.91
	80,711	436,126.94
	25,720	165,742.09

Gross earnings (increase sheep, 25,720)..... 165,742.09
 Gross earnings (wool, 259,148 pounds)..... 46,051.32

Total gross earnings..... 211,793.41
 Total cost production..... 247,760.32

NOTE.—Expense of production of sheep and wool is apportioned on basis of relative gain on sheep and wool to total gain or gross earnings.

Expense on sheep, 78.25 per cent of \$247,760.32..... \$193,872.46
 Expense on wool, 21.75 per cent of \$247,760.32..... 53,887.86

Number of sheep raised..... 25,720
 Deduct losses on lambs..... 3,203

Net gain on sheep..... 22,517
 Cost to raise same..... \$193,872.46
 Cost to raise 1 sheep..... 88.61
 Cost to produce 259,148 pounds of wool..... \$53,857.86
 Cost to produce 1 pound of wool f. o. b. Soda Springs, Idaho (cents)..... \$20.79

Investment and per cent of gain and loss.

Total investment for the period..... \$301,558.12
 Total expense for the period..... 247,760.32
 Total gross earnings for the period..... 211,793.41

Expense equals 82.16 per cent of investment; gross earnings equal 70.23 per cent of investment; loss equals 11.93 per cent on investment.

Sheep raising.

Proportion of investment, 78.25 per cent of \$301,558.12..... \$235,969.23
 Proportion of expense, 78.25 per cent of \$247,760.32..... 193,872.46
 Gross earnings on sheep..... 165,742.09

Net number sheep raised, 22,517 head.

Investment per head on sheep raised..... \$10.48
 Expense per head on sheep raised..... 8.61
 Gross earnings per head on sheep raised..... 7.36
 Loss per head on sheep raised..... 1.25

Woolgrowing.

Proportion of investment, 21.75 per cent of \$301,558.12..... \$65,558.89
 Proportion of expense, 21.75 per cent of \$247,760.32..... 53,887.86
 Proceeds of 259,148 pounds of wool..... 46,051.32
 Investment to produce 1 pound of wool (cents)..... 25.27
 Expense to produce 1 pound of wool (cents)..... 20.79
 Proceeds of 1 pound of wool (cents)..... 17.77
 Loss on 1 pound of wool (cents)..... 3.02

Detailed and classified statement of maintenance of flocks, based on average number of sheep on hand a full year: During the 10-year period we handled 80,711 head. Of this number there were inventoried the first of each fiscal year or bought during the year 51,113 head, and the difference represents the lambs raised. Some of these sheep were not on hand a full year, but equaled having on hand for the full period (lambs born not included) 47,542 head, which number is used in arriving at averages.

Classified expense, distributed.

How classified.	Amount of money.	Per head.	Labor.		Returns to manufacturers and distributors.		Value of shortage account natural death and loss by predatory animals.
			Per cent.	Amount.	Per cent.	Amount.	
Labor.....	\$57,337.37	\$1.206	100	\$57,337.37			
Provision.....	11,412.05	.24	50	5,706.03	50	\$5,706.02	
Sheep short.....	23,151.15	.487					\$23,151.15
Salt.....	1,407.54	.03	60	844.53	40	563.01	
Sundries.....	18,743.95	.39	50	9,371.98	50	9,371.97	
Interest.....	24,326.53	.51					24,326.53
Shearing.....	6,147.97	.129	85	5,225.77	15	922.20	
Dipping.....	2,757.24	.058	75	2,067.43	25	689.81	
Taxes.....	2,936.95	.062	10	293.70			2,643.25
Feed.....	67,185.55	1.413	75	50,389.15	25	16,796.39	
Outfit.....	2,198.22	.047	50	1,099.11	50	1,099.11	
10 per cent earnings on investment for profit.....	30,155.80	.634					30,155.80
	247,760.32	5.206		132,335.08		35,148.51	

Summary.

	Amount.	Per head.	Per cent of total expense.
Labor.....	\$132,335.08	\$2.78	53.2
Returns to manufacturers and distributors.....	35,148.51	.74	14.2
Sheep short.....	23,151.15	.487	9.3
Interest.....	24,326.53	.51	9.7
10 per cent earnings for profit.....	30,155.80	.634	12.0
Taxes.....	2,643.25	.055	1.6
Total.....	247,760.32	5.206	100.0

Disposition of increase..... head..... 29,598
 Lambs lost (not accounted for in sheep short)..... do..... 3,203

26,395

Sold on market (5,405, at \$3.06 each)..... \$16,562.48
 Sold on range, mostly rams (16,655, at \$8.52 each)..... 141,860.65
 Short average cost (4,335, at \$5.317 each)..... 23,151.15
 Miscellaneous credits..... 1,255.91

Total (26,395 head)..... 182,830.19
 Less decrease in flocks from original value and number (3,878 head)..... 17,088.10

Difference (22,517 head)..... 165,742.09
 Per head..... 7.36

NOTE.—Detailed statement of sheep sold on market not compiled.

Shropshire flock—Statement of sheep and lambs sold on the range.

Periods.	Ewes and lambs.			Rams and ram lambs.		
	Number.	Proceeds.	Average per head.	Number.	Proceeds.	Average per head.
1900-1901.....	126	\$216.90	\$1.72	1,020	\$6,952.00	\$6.81
1901-2.....	313	553.50	1.77	724	6,094.00	8.42
1902-3.....	1,026	2,293.25	2.23	430	4,105.00	9.52
1903-4.....	10	50.00	5.00	711	7,090.00	9.97
1904-5.....	1,520	4,560.00	3.00	981	13,027.50	14.30
1905-6.....	243	805.00	3.31	1,445	18,097.00	12.50
1906-7.....	1,719	11,492.00	6.68	1,199	15,229.00	12.70
1907-8.....	1,260	5,166.00	4.10	449	5,030.00	11.20
1908-9.....	1,063	8,879.00	8.35	1,423	19,712.00	13.85
1909-10.....	262	1,301.50	5.00	731	11,207.00	15.20
Total.....	7,542	35,317.15	4.64	9,113	106,543.50	11.69

Profit and loss account.

Interest on investment, 8 per cent..... \$24,326.53
 Earnings for profit, 10 per cent..... 30,155.80

Profit..... 54,482.33

SHEEP RAISING.

Total expense..... 193,872.46
 Gross earnings..... 165,742.09
 Loss..... 28,130.37

WOOLGROWING.

Total expense..... \$53,887.86
 Gross earnings..... 46,051.32
 Loss..... 7,836.54

Net profit..... 18,515.42

Average investment for period..... \$30,155.80
 Net earnings on investment (no interest)..... per cent..... 6.14
 Loss on one sheep..... \$1.25
 Loss on 5.6 pounds wool, at 3.02 cents..... 16.9
 Loss per head, interest and earnings included..... \$1.419
 Gain per head, without interest and earnings (each)..... cents..... 64.34

Averages.

Average yearly investment..... \$30,155.81
 Average number of sheep handled yearly..... 4,754
 Average per cent lambs raised..... 72.1
 Average number of men employed..... 8
 Average number sheep handled to man..... head..... 594
 Average yearly wages men, board included..... \$676.56
 Average monthly wages men, board included:

Labor..... \$44.49
 Board..... \$11.89

\$56.38

Average weight of fleece..... pounds..... 5.6
 Average selling price of wool..... cents..... 17.77
 Average selling price of fleece..... \$1.00
 Average first cost of sheep..... \$4.91
 Average first cost of sheep, lambs marked included..... \$3.34
 Average sale sheep and lambs on market..... \$3.06
 Average sale sheep and lambs inventoried..... \$4.95
 Average sale bucks on range (each)..... \$11.69
 Average sale ewes on range..... \$4.64
 Average sale all sheep and lambs sold..... \$5.62
 Loss per head on sheep..... \$1.25
 Loss per pound on wool..... cents..... 3.02

On basis of price we obtained for this wool Soda Springs, Idaho, 17.77 cents per pound, adding freight 2.05 cents per pound, and selling charges 1.5 cents per pound, and on a basis of 58 per cent shrinkage, this wool would cost the manufacturer 50.76 cents per pound clean Boston, plus the cost of scouring.

On a basis of cost of production 20.79 cents per pound, adding freight and selling charges of 3.55 cents per pound, 58 cents per pound Boston clean, plus scouring charges in both cases.

Mr. HEYBURN. Mr. President, Mr. Hagenbarth, who is a native son of Idaho and who has developed into one of the largest stock raisers and one of the best business men in the State, has taken pains to bring together every item of cost and every item of income from the sheep-raising business, and I have taken from the testimony which he gave before the Senate committee such parts and such tables as refer to and completely illustrate this question. He says, in summing it up, that they are not making 6 per cent, nor have they done so for some time. It is all attributable to the disturbed condition and to the threatened changes in the schedules. I ask also to insert Mr. Hagenbarth's statement as part of my remarks.

The PRESIDING OFFICER. In the absence of objection, permission to do so is granted.

The statement referred to is as follows:

Now, reciprocity as affecting sheep has got to be, from our standpoint, more or less theoretical; the known facts are all on one side. In the United States the industry is as old as the civilization; we have nearly 57,000,000 sheep—we did have a year ago, but I do not think we have that many by 5,000,000 or 6,000,000 now. Canada at the present time has less than 3,000,000 sheep; but with the conditions of climate, wages, ranging, feeding, transportation, and everything but markets practically the same, and with civilization advanced as our own, why is it that Canada has only 3,000,000 and we have 57,000,000? There must be a cause—where there is an effect. Is it because she has not had reciprocity for the past few years? With reciprocity, would the conditions change and would she enter upon the proper development of her ideal condition for the fostering of this industry at our expense? Why, gentlemen, the State of Montana last year had 5,747,000 head of sheep.

What is the difference between Montana and Canada? It is simply an imaginary line, an imaginary line, and that is the only difference in God's world; northern Montana and southern Canada are identical, yet the State of Montana has twice as many sheep as the entire Dominion of Canada. Now, there is the effect; what is the cause? That is for anybody else to answer. We certainly can reason back to the cause without much trouble. Now, in the United States we find, as a matter of fact we claim, not merely as a coincidence as some of our economic opponents will set up, that the industry has thrived or languished just as the tariff was high or low. Now, if this is true, the facts seem to bear it out—it may be a coincidence, but I do not claim that it is—is not it fair to presume if we take the tariff off of mutton, sheep are liable to be low? That is our view as sheepmen.

Now, I have another statement here showing the annual cost for winter feeding sheep and cattle, and these are simply digests by years taken from our books, and if this committee wants them, I also have them here, or can get them without a great deal of trouble, except they would be compelled to go over every item and every detail that went into this table. They are taken directly from our books, not by myself, but by the bookkeepers—the cost of winter; that is, for winter feeding. Now, the labor was \$1.12. Another table here is the average expense per annum per head for grazing, which was \$38,000 for a period of five years; taxes, \$41,653. The interest which we paid, the interest on the sheep, at 6 per cent, figures \$127,615.22, and general expenses, \$123,386, making a total of 73 cents per head for these items. We have \$1.12, 58 cents, and 73 cents, making a total of \$2.43 per head as being our cost here, not including interest on investment, and horses, and lands, and wagons, and all the paraphernalia that we have to have for conducting our business.

Senator CLARK. You have that for a period of five years?

Mr. HAGENBARTH. Yes.

Senator CLARK. I had a letter from an ex-governor of our State a few days ago who was interested in sheep raising, who said that it cost them between two and three times as much per head to run the sheep per annum now as it did five years ago. Has that been your experience up in Idaho?

Mr. HAGENBARTH. Yes; on certain costs. Now, I think I have right here some of these very items and details that go into that. Shall I answer that now?

Senator WILLIAMS. No. I just wanted to know if that was the fact.

Mr. HAGENBARTH. That is a fact, and I will give you some details as briefly as I can. Now, here is another table showing per head cost per annum and the per head receipts per annum, showing that we have received from mutton and wool, over a period of five years, \$3,1666; and our total cost, including interest on the investment all the way through, is \$3,2884 per head, showing a net loss per annum of \$0.1218. Now, that fact is absolute, and I can take an oath to it; but, mind you, that would include 6 per cent interest. We have made almost 6 per cent, and I have often congratulated myself that we have done that well.

Senator WILLIAMS. What is your net gain or net loss?

Mr. HAGENBARTH. How is that?

Senator WILLIAMS. If you take 6 per cent out, what have you gained?

Mr. HAGENBARTH. If you take the charge for interest out, we would not have gained anything at all. We have not quite gained 6 per cent; we could not take the interest out.

Senator WILLIAMS. I know; but you allowed that on that 6 per cent interest on the investment.

Mr. HAGENBARTH. Yes.

Senator WILLIAMS. Take that charge against yourself out, what would you make? What would your net percentage be? Your loss is predicated upon charging 6 per cent as a part of the cost.

Mr. HAGENBARTH. We make 5.62 per cent.

Senator WILLIAMS. That is your former statement?

Mr. HAGENBARTH. Yes.

Senator WILLIAMS. All right. That I understood at the time.

Senator STONE. Did you say that the actual cost for running a sheep ranch, raising sheep, was from two and one-half to three times as much now as it was five years ago?

Mr. HAGENBARTH. No, Senator; not quite. As long as that question is up I will go into it.

Senator STONE. That would be rather remarkable.

Mr. HAGENBARTH. I will give you the exact facts.

Senator STONE. I would like to ask, before you begin, I understood Senator CLARK to say some ex-governor of his State has written that it is now costing from two and one-half to three times as much to raise sheep as it did five years ago.

Senator CLARK. To run the sheep per annum.

Senator STONE. Well, to run the sheep. I will put it in that form. That still narrows it and makes it less confusing—to run the sheep.

Mr. HAGENBARTH. Yes.

Senator STONE. He states that it costs from two and one-half to three times as much per annum as it did five years ago. Now, what are the items that make that increased cost?

Mr. HAGENBARTH. The ordinary herders to-day are costing us around an average of \$70 per month. We found it necessary to cut the wages this spring, for good and sufficient reasons—we had to do it.

Senator STONE. What do you pay them?

Mr. HAGENBARTH. \$50 a month cash at the end of every month for their labor, and we keep them besides.

Senator STONE. You estimate that at \$50?

Mr. HAGENBARTH. Don't estimate at all. I am telling you what it costs.

Senator STONE. Well, the actual cost is \$50?

Mr. HAGENBARTH. Yes, sir.

Senator STONE. What did you pay your sheep herders five years ago?

Mr. HAGENBARTH. The cheapest five years ago?

Senator STONE. I am not talking about the cheapest. I am talking about the same kind of herders you are now paying \$50.

Mr. HAGENBARTH. There has been a gradual raise. The average would be about \$40 five years ago.

Senator STONE. How much difference was there in the actual cost of board per month?

Mr. HAGENBARTH. I can not tell you that exactly. I can, right down to the minutest detail, by taking the time to get the data.

Senator STONE. Now, we have a difference in cost of wages paid to herders of approximately \$5 a month more now than five years ago?

Mr. HAGENBARTH. Yes.

Senator STONE. You are not able to state the difference in the cost of board? What other item of cost?

Mr. HAGENBARTH. Well, in order to relieve the Senator on that point I will make a statement. The board will cost us just in the same proportion with the general advance in the cost of living that has taken place, cost us just that much more. Now, that would amount, in my opinion, to about—during five years—perhaps 20 per cent of an increase in five years.

Senator STONE. It costs you 20 per cent more now to board a herder than it did five years ago?

Mr. HAGENBARTH. Yes; that is correct.

Senator STONE. Well, that would be about \$4 a month.

Mr. HAGENBARTH. Just around that, between \$4 and \$5.

Senator STONE. What is that due to, that extra cost?

Mr. HAGENBARTH. One of our principal items of extra cost—

Senator STONE. No; what makes it cost you 20 per cent more now to feed and board a herder than it did five years ago?

Mr. HAGENBARTH. I was just coming to that point. One of the principal items is the higher cost of bacon and lard; that is one of our great items of expense; we use a great deal of bacon and lard.

Senator STONE. On the range?

Mr. HAGENBARTH. On the range. Then there has been an advance in the cost of flour; and then there has been the advanced costs of that sort all along the line. Now, there is only one thing that we get cheaper than formerly, and that is condensed milk; everything else is costing us more.

Senator STONE. Well, the average aggregate increase, then, is approximately 20 per cent, or one-fifth, more?

Mr. HAGENBARTH. During five years.

Senator STONE. Well, comparing the present with five years ago?

Mr. HAGENBARTH. Yes.

Senator STONE. Now, we have got the cost of living and the difference in wages. What else?

Mr. HAGENBARTH. Now, hay. Hay will cost us about 300 per cent more. Hay fed to the sheep for winter feeding to-day will cost us 58 cents per head as against 10 to 12 cents five years ago. Freight on lambs to the market, on mutton products, \$182.50 per car as against \$137.50.

Senator STONE. Do you exclude that in the running expense of ship?

Mr. HAGENBARTH. You asked me for the higher cost of sheep, why it cost more. We have certainly got to pay the freight the same as every other man who produces.

Senator STONE. Well, to go to the market, but I am talking of the cost of raising sheep on the ranch.

Mr. HAGENBARTH. Well, we have to figure the cost on the haul. We are selling our sheep, for we could not keep them out there forever.

Senator CLARK. My correspondent was speaking about the annual cost upon the range of running the sheep, without reference to the range.

Mr. HAGENBARTH. Well, confined strictly to the range. Well, the herders, the labor, and the hay.

Senator STONE. We have that.

Mr. HAGENBARTH. And the hay.

Senator STONE. We have that and the board.

Mr. HAGENBARTH. Well, they are about the principal items of expense in running the sheep.

Senator STONE. Well, you have not figured that out in your statement to anything like two and a half to three times as great.

Mr. HAGENBARTH. I did not make any statement of that sort.

Senator CLARK. He did not agree with me.

Senator STONE. Then I misunderstood him. I did understand him to say that was correct.

Senator CLARK. He said he would not go that far.

Mr. HAGENBARTH. I can tell you why there is a discrepancy.

Senator STONE. I thought you did say that that was correct.

Mr. HAGENBARTH. If the notes show that I stated that it is from two and a half to three times greater, it was a misapprehension and a mistake, because I have the figures right here to disprove it.

Senator STONE. Well, I do not care to go further into that.

Mr. HAGENBARTH. I won't say about Wyoming; that might be true, because the conditions might be different in Wyoming than they are in Idaho—entirely different. Now, there is another statement here, which is a tabulated statement of the cost of production of wool and mutton for five years, showing the results of handling 454,337 stock sheep, the product of which was 225,807 head of mutton, weighing 16,009,198 pounds and worth \$799,478.17; the total production for the five years, 445,850 fleeces of wool, weighing 2,967,127 pounds, worth \$622,253.63. The net results of the operation shown by this total was a cost on mutton of \$0.0507 per pound, for which was received \$0.0497 per pound, showing that mutton production failed to give us a return of 6 per cent interest on the capital investment.

Now, for over a period of years it gives all of the cost in the digest form. I want to explain one thing, however: That the percentage of production of mutton as being 56.3 per cent, and of wool as being 43.7 per cent, on the total production, was based on the respective proportions contributed by either wool or mutton to the total gain in our business; that is the way that was arrived at, and you will observe that, too. That makes it easier to know where that statement was taken from.

I have here a statement which I thought I had taken out, because I did not want to burden the committee with it, but I thought possibly Senator WILLIAMS might be interested in it. It shows our loss and gain by years for five years.

Senator WILLIAMS. That is what I want.

Mr. HAGENBARTH. You want it for 10 years?

Senator WILLIAMS. I want to know your financial condition now, and what it was 10 years ago.

Mr. HAGENBARTH. All right. I misapprehended.

Senator WILLIAMS. Then, I will consider the figures from that with this, showing the losses and gains.

Mr. HAGENBARTH. I submit a general statement of loss and gains, showing a total investment for the five years of \$9,070,741.27, or an average annual investment of \$1,814,148.25. This statement includes, among other charges, a total of 6 per cent interest on the entire investment in our live-stock business, the final summing up of which shows an annual loss per annum of \$5,828.75. In other words, the business failed by that amount to pay the legitimate annual charge of 6 per cent for use of capital invested. Now, in explanation, I want to say these figures may seem large, and for fear we may be thought guilty of the crime of being a large corporation, I want to say that our company, though a corporation, was incorporated for convenience only.

Our company is owned entirely by those who labor on the range, and there are no outside stockholders drawing dividends. My brother and my mother and myself own the business, and have owned it since my father died. We have in addition 8 or 10 of the men who are working for us who have been with us from 15 to 20 years, to whom we have given stock, allowed them to work it out, and given them an interest in the business. My father began the live-stock business 25 years ago in a humble way, putting about \$26,000 in the business in the beginning and from time to time invested additional capital, and during the 25 years we have paid but four dividends, and they were small ones, and we have only paid one dividend within the last 10 years. All other earnings from the business have gone back into investment, whatever they were; our 6 per cent, 5 per cent, or 8 per cent, or 4 per cent per annum has gone right back into the business.

At the present time we own in fee simple 28,065 acres of land, the book value it has practically cost us, plus the expenses of such improvements as we have made on it, being \$448,716.85. We found it necessary to take money out of our business at other places and put into this land in order that we might continue in the sheep business; there were not men enough in that country at that time raising hay, in the Snake River Valley, where we are located, to provide us with hay, so we could be assured of a supply in the winter, and we found it necessary to put money into land in order to get raising areas and in order to have an assurance in the shape of hay against these hard winters. We had to do that or go out of business. The actual value to-day of those lands and water rights would be considerably higher owing to the unearned increment, the advances in the country, and of course the sheep business gets no credit for that. We have leased for grazing purposes from the States of Idaho and Montana 42,120 acres of land-grazing privileges from the Forest Service, for which we must pay. We feed annually 8,000 to 10,000 tons of hay. This hay requires labor, either on the part of ourselves or others, to produce, and we have an average number of employees on the monthly pay roll of 199 men, whose average wages are \$57.77, not including keep.

The salary account for general management for handling this investment and handling this business is \$7,200 a year, and in order that you may understand our labor charge is not padded I will state the total drawn by my brother and myself for managing this business is \$300 each, and that is more than we have ever drawn until two years ago, and we thought then we would have our salaries raised \$50 per month, but I feel that we will have to reduce them this fall. These costs are not estimates; they are taken direct from our books and summarized for the sake of brevity, but there is an unlimited amount of record, down to the canceled checks and the vouchers. As I told you, our accounts are divided in 155 accounts, keeping individually, as nearly as we can, every item that enters into the cost. The net results of these costs I have given you as above.

Cost of production, wool and mutton.

Years.	Mutton.			Wool.		
	Number of lambs.	Weight in Chicago.	Lamb receipts.	Number of fleeces.	Weight of wool.	Wool receipts.
1906.....	59,675	4,118,493	\$212,897.01	98,467	651,361	\$149,339.69
1907.....	48,359	3,415,648	177,841.98	90,772	617,905	142,118.17
1908.....	38,775	2,872,938	122,983.71	81,830	554,347	88,958.48
1909.....	30,885	2,744,440	146,996.68	88,134	601,598	114,375.79
1910.....	42,013	2,857,610	138,758.79	86,647	541,916	127,461.50
Total.....	225,807	16,009,198	799,478.17	445,850	2,967,127	622,253.63

Cost of production, wool and mutton—Continued.

Years.	Price received.	Miscellaneous receipts.	Expense.
1906.....	\$0.229	\$22,861.60	\$260,037.07
1907.....	.23	46,274.30	306,234.22
1908.....	.16	34,218.25	212,085.58
1909.....	.19	99,357.77	274,272.08
1910.....	.235	76,597.65	329,711.11
Total.....		279,309.57	1,382,340.06

Total, expense column..... \$1,382,340.06
Interest on investment not included in expense column..... 344,168.59

Total operating expense..... 1,726,508.65
Less receipts from every source other than wool and mutton..... 279,309.57

Total net cost of all wool and mutton produced..... 1,447,199.08

Per pound.

Cost of wool production per pound (allowing 6 per cent on investment)..... \$0.2131
Average price received for wool for five years was..... .2007
Cost of mutton production per pound (allowing 6 per cent on investment)..... .0507
Average price received for mutton for five years was..... .0497

Percentage of production of mutton is 56 $\frac{3}{4}$; of wool, 43 $\frac{7}{8}$ per cent.

Loss and gain by years and average gain from Nov. 30, 1905, to Nov. 30, 1910.

Years.	Capital.			Interest.		
	Capital and surplus.	Borrowed capital.	Total investment.	Interest on investment, 6 per cent.	Interest paid.	Interest unpaid.
1906.....	\$1,145,003.10	\$473,223.23	\$1,618,226.33	\$97,893.68	\$58,877.03	\$38,216.55
1907.....	1,250,855.03	552,628.04	1,803,483.17	108,208.99	39,104.11	69,104.88
1908.....	1,276,462.44	761,357.69	1,865,748.13	111,944.89	32,671.60	79,273.29
1909.....	1,332,429.25	585,931.76	1,918,361.01	115,101.66	40,244.43	74,857.23
1910.....	1,374,449.46	490,473.17	1,864,922.63	111,895.36	29,178.72	82,716.64
Total.....			9,070,741.27			
Average.....			1,814,148.25			

Loss and gain.

Years.	Loss and gain.			Per cent of loss or gain.
	Gross gain.	Gain less unpaid interest.	Net gain.	
1906.....	\$107,152.45	\$68,935.90	\$68,935.90	4.2
1907.....	105,852.03	36,747.15	26,747.15	2.0
1908.....	4,038.31		\$75,239.98	4.0
1909.....	55,906.81		18,890.42	1.0
1910.....	42,020.21		40,696.43	2.1
Total net loss for 5 years.....			134,826.83	
Total net gain for 5 years.....			105,683.05	
Average loss per annum.....			5,828.75	
Per cent total loss per annum.....			0.321	

As an evidence that Canada anticipates just such a condition as this, let me quote from page 98 of the secretary's report:

"There were 17 townships along the international boundary line southeast of Wood Mountain, 11 townships southwest of Swiftwater, and between 60 and 70 townships north of the Canadian Pacific Railway set apart for sheep grazing. Quite an area in those districts can yet be leased for sheep."

In Salt Lake City, about a month ago, I found the cards of Messrs. William A. Dryden and W. T. Ritch, both marked "Department of Agriculture, Canadian Government, Ottawa, Canada, Live-Stock Branch." I met these gentlemen in Chicago whilst I was en route to Washington. Upon inquiry, found their mission to be a study of conditions in America and elsewhere, with a view to improving and extending the outlet for an increased production of Canadian mutton.

Now, they were very frank in their statements that they thought it would be a grand thing for the wool industry of Canada if they could come to the United States market, and it would grow and develop by leaps and bounds, and that probably they could successfully grow sheep and cheaply produce them. The thing they lack is a market. Their own population is not one-tenth of what ours is, and there is no inducement for them to grow because they can not compete with the frozen meat themselves up there, but still they can skin us down here, they having a new virgin country.

Mr. HEYBURN. Here is a suggestion that I find among my papers which is applicable to the statement of both of these men, that the sheep business is not upon a satisfactory basis. That means that men will not continue in the business and that the

country will have to look somewhere else for the commodity which they produce. I read from this memorandum:

DUTIES MUST BE HIGH ENOUGH TO COVER WIDE FLUCTUATION ABROAD.

The wide and severe fluctuations here and abroad must be provided for in tariff schedules, otherwise there would be times when the importations would be so great it would take years to dispose of the products imported, thus displacing our own manufactures for a time too long to recover from. As an illustration, the importation of wool particularly, during the Wilson-bill period, was so great it took us at least four to five years to use up the importation of these wools that flooded the country at that time. The low fluctuation period found wools selling quite low at that time abroad and led to speculation on a wide scale.

I happened to find to-day some figures suggestive of that point. I find here a list of the importations into the United States of shoddy, which is the substitute in hard times for wool. It can be made to look like wool, and yet it is not wool, as we understand the term, or as it is grown upon our ranches.

Under the McKinley law for the three years, 1891 to 1894, the imports of shoddy into the United States were only 903,923 pounds. That is a very small item; it is insignificant as compared with the business. But under the four years of the Wilson law the importations of shoddy—now bear this closely in mind—were 86,263,030 pounds. That is what the Wilson law substituted for the wool of this country.

Not only so, but the evil committed then and there continued until that 86,000,000 pounds of shoddy had been absorbed by manufacture, worn out, and discarded. It was not only that they stopped the production of wool, but they brought in a substitute that sat in the seat of prosperity for years after the Wilson law had been repealed.

The total importation of shoddy in the last 13 years has been only 6,751,000 pounds, as against eighty-six million and odd hundred thousand pounds during the three years of the Wilson law with free trade in wool. That is a very serious consideration. It is the substitution in our market of an inferior article; and I have never seen an item that so completely demonstrated the evil of the substitution of foreign goods in our market as the table of the importations of shoddy.

Mr. President, there is another curious fact in connection with this matter. I have taken the table of the price of raw wool in Boston. In 1896 the price was 16 cents; in 1910 it was 29 cents.

The price has fluctuated, and the table is interesting in that respect, in the light of the suggestion I made a few moments ago as to the necessity of having any legislation sufficiently above and within protective lines to cover fluctuations. Just notice the fluctuations in the Boston market in raw wool—in 1896, 16 cents; in 1900, 34 cents. That shows the effect of the Dingley tariff law on the price of wool. It not only shut off the importations, which had doubled in spite of the importation and substitution of shoddy, but it restored a condition of prosperity in the wool business that enabled those men to get on their feet and to again begin producing wool. You can not put a flock of sheep in the market of production under four or five years.

The sheep did not remain back somewhere where you could go and drive them to the front again. They had gone out of existence. In 1907 the price of wool was 32. In 1908, 30; in 1909, 35; and in 1910, 29.

Now, I take that from Bradstreet's Journal. I have no doubt at all it is absolutely correct. Those are the Boston prices of wool.

Mr. DIXON. What grade of wool is the Senator quoting?

Mr. HEYBURN. Raw wool.

Mr. DIXON. What grade of raw wool?

Mr. HEYBURN. That is the standard quotation.

Mr. DIXON. Higher washed or Western Territory?

Mr. HEYBURN. That is western wool. I am speaking of western wool.

Mr. DIXON. Washed or unwashed?

Mr. HEYBURN. I have that table available, and I can go into it, but at the expense of more time than I care to occupy now. And these arguments are frittered away by such trivialities as that. I am speaking of the standard price of unwashed wool, according to Bradstreet's quotations on the Boston market.

During that same time scoured wool in Boston went from 48 in 1896 to 85 in 1910. Let us see how things move in unison. Take cotton during the same time. See what effect these times had on cotton. In 1896 it was 7.43, and in 1910 it was 14.45. It will be observed that the fluctuations were just about on a par with those of wool. The United States produces about one-eighth of the wool of the world, and the competing countries are those that are not settling up and civilizing as rapidly as our own. They are retaining their ranges and the conveniences of wool production and we are losing them. Of course, with a business made surely profitable, comfortably certain against

continual disturbance, we could build up the wool-raising business in this country to the market of our uses or our consumption. But the inducements are not sufficient. There is nothing in the whole commercial world that is so continuously attacked and threatened as wool production. There is not a Congress, there is not a message, there is not a speech, in which some one is not proposing to change the duty or the commercial status of wool.

This argument to which we have listened this afternoon does not please me. It was strongly presented, but the presentation of it was against the wool interests. It was calculated to demonstrate that we could get along as well as we are now getting along, and maintain the boasted prosperity of this time, with an actual protection of only about 7 cents. It is not friendly to the wool interests to urge that doctrine. In my judgment it is not sound. The exception in the wool schedule of skirtings could readily be adjusted by transferring it to another section of the schedule. Why is it necessary to point out these evils, real or imaginary, unless you have a remedy? Is there a man interested in the prosperity of the wool industry, either raw or manufactured, who does not realize that it is running on too slight a margin, and that it is liable to frequent disturbance and in continual danger of destruction? That being the case, why should anyone come in here with an apology for a fraud that has really, according to the argument, reduced the actual duty on wool?

In many instances this question is discussed from an erroneous standpoint. Senators spend time juggling with figures here as to the price of this and that, and lose sight of the real question, which is, Shall the industry remain in the country at all? because if it does not remain no one is interested in whether it is profitable or otherwise. If the sheep industry disappears, and the production of wool shrinks at the rate that it did under the free-trade régime, it is not material to know the relation that the imports bear to the exports, or what would have happened had something else occurred. I am only dealing with it from the standpoint of maintaining and retaining this industry in the country. You can not compel a man to remain in a business by arguing to him that he ought to make a profit. The man himself will be the judge of that. If the Senate were to go in a body and insist that this business would be profitable the man upon whom whose energy and investments it depended for its maintenance would laugh at you. He would say, "Where is your pocketbook? Who is going to be the loser; you or I?" That is what he would say to you; and yet we waste weeks and months here in discussing how tolerable it may be to this man to skirt along the shores of failure and ultimately to be overwhelmed.

You figure that they all can produce wool at one price, and under one condition. My mind goes right to flocks and herds in the country with which I am quite familiar, and I see one man back 30 miles from the railroad. I have his statement here. His wool must be hauled to the railroad on wagons. The provisions consumed by his horses and his employees must be hauled from the railroad. The items of expenses incident to conducting a large business off the railroad are not necessary to be taken into consideration by the man whose sheep pens and shearing places are at the railroad, whose wool is carried upon the grappling hook from where it is baled to the platform by rolling it. You can not make a duty under which the second man can barely live and make what somebody else would call a reasonable profit, and force it upon the man who has extraordinary conditions to confront him. And yet that has been the whole effort here for weeks, not only in regard to wool, but in regard to everything else. You are acting and talking on the assumption that all men can produce commodities at as low a price as the man who is best equipped and located for their production. Someone has said we would compel the factories and mills of the country to come up to the most modern standard of equipment. You would. You would compel every man to be rich enough to do it.

If you had passed that loan-shark bill that we were discussing yesterday he possibly might manage to live. I can think of no other conditions under which anybody would survive except the man who could put in a factory equipped with watch-spring steel and the policy of large expenditures. You are going to make the other men go out of business and tear down their factories, forsooth, because they are not the most expensive that can be maintained. I think not. I would take the other man as the basis, as the criterion. He is the man who needs the protection more than the other man, who can build these magnificent factories and equip them. It is the man who has the one that is built with his own money and his own effort who is entitled to protection. He owns it. The other man is merely the president of a company, and the stock-

holders are supposed to own the property. To whom are you going to give the first right? Whose rights are you going to give first consideration to? Throughout all this discussion, in my judgment, there has been serious error in apprehension of the standpoint from which we must deal with the people. It is all the people. The poor man is entitled to at least the same consideration as the rich. The wildest mistake I ever saw in a political platform was that in the last Republican platform, which talked about a "reasonable margin of profit." I suppose the man with a highly expensive mill would perhaps manufacture and make a profit where the other man would make none, and that is applicable to this business.

There are a large number of people in the United States engaged in raising wool. The statistics say there are over a million farms upon which sheep raising is one of the industries. There are the people represented by that many farms interested in this business, and yet you spend your time here splitting hairs between the cost of producing fabrics in the mills in New England or elsewhere. They say, "Yes; let the American producer go out of business and we will get our wool from some other quarter." It is rather interesting to see.

There are 347,320,749 pounds of wool produced in North America. We only produce 328,110,749 pounds of it. There is a big margin. These mills suppose they will buy of these other producers, or of the producers of South America, with its 436,000,000, or Europe, with its 804,000,000, or Asia, with its 210,000,000, or Africa, with its 139,000,000, or Oceania, with its 756,000,000. They go on gaily assuming they will buy cheaper than they could buy from our people. Just as soon as those people find that we have no supply of our own they will make the price. They will not only make the price of wool, but they will make the price of cloth and make the cost of living, so far as it is affected by those things. They will make it not for busy, industrious, prosperous people, but they will make the price of those things for the man who lost his job by reason of the business that he had been engaged in being terminated. They will make the price for those people. They will make the price for the American who wears clothes and needs the products of the flocks, and they will make the price of the meat we eat. They will fix the price of his living.

Do you talk about the low cost of living, considered in connection with this question? You are proposing to destroy not only the opportunity of a livelihood through the wage-earning capacity of the person employed, but you are going to destroy the product of his labor.

I am old enough to have seen it accomplished once pretty effectually. I saw men hiring others to drive sheep off their land, because the sheep were worth nothing and were eating up what grew on the land. I saw in one season 35,000 sheep driven by my home camp to hunt pasture, because they were outlawed in the land where they belonged. They were driving them around hunting some place where there was no one at home and they could allow the sheep to eat. You will see it again, too.

Because, forsooth, they juggle figures and perpetrate a fraud in regard to the skirting proviso in the existing law, we must accept that fraud as the standard of our future life. Once get a fraud established and that is the end of it; it stays there; you are not allowed to disturb it. You could not amend, if you are going to amend, by simply transferring that provision to the next section of the bill or eliminating the proviso. No, we have gotten far from home in the discussion of this question. My only sympathy in this hour is with those who are going to follow it. I have listened patiently here, as much so as any Member of this body, for days and weeks to the discussion of this question. I do not suppose that I am going to shed any new light in the minds of those to whom I speak. I do not know that a man ought to say that kind of a thing; I think, perhaps, he should not; but I feel a little that way.

But, nevertheless, it will never be said that when the contest now pending is referred to in the future I sat here like an idiot and did not know any better than to think that the juggling of figures in regard to the technical affairs of weaving cloth constituted the consideration or discussion of this question. I am not speaking for those people. Make the wool industry prosperous, and you will make the woolen mill prosperous.

I have some data here that I found last night in regard to the number of mills that went out of business during that time. They went out of business because there was no market for their commodity.

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER (Mr. CLARK of Wyoming in the chair). Does the Senator from Idaho yield to the Senator from Ohio?

Mr. HEYBURN. Yes; I yield.

Mr. POMERENE. I am a new Senator in the Chamber. Will the Senator kindly inform the Senate who was responsible for that joker and the peculiar way in which it was drawn?

Mr. HEYBURN. That is another case of frittering away your time in doing a useless thing. What would it avail anybody to know who was responsible for it? I am not here to arraign this man or that who may have perpetrated a wrong, innocently or otherwise. That is no argument. Keep to the facts. The main question here is what are you going to do with one of the great industries of the country, not are you going to convict some man who was in Congress 20 years ago of being either a fool or a knave. You do not have to convict him of it. He has long since gone to his reward, and I hope his average was good.

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield further to the Senator from Ohio?

Mr. HEYBURN. Yes.

Mr. POMERENE. I was simply asking for information, in order that we may be on our guard in the future, if any matters of that kind are to be perpetrated upon the public. That was the purpose of my question.

Mr. HEYBURN. Mr. President, if that was done purposely, it was not as bad as the complete annihilation of the industry. It was doing it some injury, but it was not destroying it. Perhaps the Senator had in his mind the idea of giving his Democratic brethren of that day a little boost for their wisdom and casting some discredit upon the Republicans of that day, or even of this day. That does not affect the right or wrong of the question at all.

Mr. POMERENE. If to seek the truth—

The PRESIDING OFFICER. Does the Senator from Idaho yield further to the Senator from Ohio?

Mr. HEYBURN. I yield.

Mr. POMERENE. If to seek after the truth means what the Senator seems to indicate it does mean, I think we should pursue that inquiry further.

Mr. HEYBURN. Mr. President, there is some truth that is worth seeking after and some that is not. It is not worth while to spend any time to determine the result of two and two, nor is it worth while to spend any time to determine the mistake of those generations that have gone before us. All there is in the consideration of such deeds and such men is the good that they have done; nothing else. I never go beyond it.

Mr. President, I might be led on to open up this question, but I am not going to do it.

Here is another class of men who would go out of business to a large extent. In the State of Idaho we produced last year 1,473,000 tons of hay. Its value on the market was \$13,257,000. That was fed to live stock.

Mr. BORAH. We have another hay producer now. Canada will furnish the hay now.

Mr. HEYBURN. Yes; and some of the border States and some of the other States that produce hay will probably realize that. But at this time I would merely call attention to the effect that this law would have upon this class of people. The injury here is twofold, or rather it presents two phases. You first destroy the market for this hay by destroying the flocks, and then, if you did not do that, you destroy the market by opening it to competition with Canada. Canada grows as good hay as we can. We know something about Canada. You can stand with one foot on each side of the line and both feet will rest upon the same character of possibilities.

But I merely called attention to that item. Not only will that hay grower be out of business and all the people who are engaged in it, but there is a large number of them who depend upon it for a livelihood. Hay will keep. I know stacks of hay in my State in preservation to my knowledge 7 and 8 years old; the hay is just as good as it was the day it was put up.

I undertook to count the number of stacks per mile looking out of a car window coming up one of our valleys two or three years ago, and they were so numerous I did not have time to count them between going in and going out of the mile. That is no exaggeration. Just try it some time. There are millions of tons produced. Those people will go out of business, because they will have only a limited market for their hay. There is no use in sending it somewhere else; almost every other State is just in the same condition, the law being of general application.

Live stock of all kinds are attached under the Canadian bill which we passed, and which Canada probably will not pass. Of course we had to set an example to the child. Being a large, full-grown nation, we cheerfully and joyously passed what is called the Canadian reciprocity bill. It looks now as though

they would have to go to the people, as they call it, in Canada. I have heard lots of that kind of talk here, about people who had their ear to the ground and were listening to the voice of the people. The Canadians are doing the same thing. They heard about our doing it and they thought they would do it. When they come back from the people you will not recognize them. They would look like the fabulous picture of the man who had been to see the editor. Those same men probably will not get back from the people; the people will send other men there.

Mr. SMITH of Michigan. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Michigan?

Mr. HEYBURN. I yield.

Mr. SMITH of Michigan. If they fail to receive the necessary approval from the people there will be at least one comfort for the champions of the proposition, and that is that the printer feature of it will become a law without the consent of Canada.

Mr. HEYBURN. I have not been making war on the printer people, because they are making war on themselves. They have been gradually destroying themselves, and I rather hope they will either reform or complete the job before very long. During all the discussion of this question I have not referred to those people at all, because, as I said, they are committing business and personal hari-kari.

Montana has \$10,000,000 worth of hay. I expect she will be interested if the flocks disappear. Those stacks will blacken there and wait for Republican prosperity to come along and make a market for them. Idaho, according to the census, averages 3 tons of hay to the acre. So it is pretty good land. I do not know what they will do with that land when it is no longer profitable to raise hay on it. They will raise something else on it. Then they will find that this Canadian treaty or this free-trade party in the country has destroyed their market for it. The only salvation is to keep the old Republican Party in power. When I say that I mean Republicans. I do not mean Republicans who think that the Government did not exist, or if it did exist was on a very uncertain and unsatisfactory basis until they came into power.

When I speak of Republicans I mean men who believe in a protective tariff that protects, men who never give a thought to the prosperity of other nations of the earth until after they have made their own people so prosperous that they can sit comfortably on their broad verandas and look out and survey the world without any feeling of uncertainty in their minds as to what may happen to them. I do not mean Republicans who are always threatening some change of government or change of policy. I say the country will never be safe until you have the Republicans in power and in power to stay and until the people realize that they are there to stay. Then they will commence doing business and they will not be afraid that somebody is going to get up and say, "Well, here we are pretty prosperous; there is not much excitement going on; let us go and bring in the people of some other country to disturb us, to take away our job from us, or to take away our market from us." Let us get rid of those people. Let them make their proclamations from their own cellars.

There is one ranch of which I happen to have the figures. A ranchman, a friend of mine, in Idaho, produced 10,000 tons of hay last year and fed it all to his own stock, and he had to buy some of other people. He told the Committee on Finance that with free wool or insufficiently protected wool he would go out of business, not from choice but from necessity; that he would go out of it because he could not make a living at it or in it.

There is too much temporizing with this proposition to change the wool duties. I do not mean to be harsh or to speak lightly of any man, but it has seemed to me that men were scared too easily. Just because somebody in some other place proposes to reduce the duty they get scared and say, "Oh, do not kill me entirely; only kill me halfway; I will split it with you."

The bill introduced by the Senator from Utah [Mr. SMOOT] which proposes to recede to about 9 cents, and the bill introduced by the Senator from Wisconsin [Mr. LA FOLLETTE] which proposes to recede to about 7 cents, are the result of fright, political fright I mean, of course. They believe these people can do anything they say they are going to do. I hope they will get over it. When somebody tells me that they are going to take away a part of what I have or all of it, I submit the question to arbitration; I appoint myself arbitrator.

That is the condition here to-day. We are confronted with a lot of compromise offers that weaken men who really believe

in protection, because you know that instead of counting your whole strength you have only a part of it. That is the trouble.

I had a Senator say to me in very recent hours that he thought we would have to give up something. Why give up something? Why not say to the other fellow "You can not get it. We have got votes enough to keep you from rifling the treasure chest of the people; you can not get it."

Mr. President, there was an old fellow from Wisconsin, Mr. Sterecker, who lives in Manitowoc, who made a statement before the Committee on Finance. I ask that this statement made on behalf of the sheep feeder, showing the condition of the enterprise, containing the statistics as to price and cost, be inserted in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

The matter referred to is as follows:

STATEMENT OF ARTHUR STERECKER, OF MANITOWOC, WIS.

Mr. STERECKER. Mr. Chairman and gentlemen of the Senate committee, I would like to read a little data that I have on sheep feeding in this country.

I live at Manitowoc, Wis., and have been engaged in the sheep and sheep-feeding industry for eight years past. During this period I have fed about 200,000 head of sheep and lambs with varying success.

[Statement of the National Woolgrowers' Association.]

General history of sheep feeding: The sheep feeder stands between the grower, or the producer of sheep, and the butcher or packer. His mission is to take the feeder sheep from the range or from the market, properly fit it for slaughter, which process requires peculiar adaptability and close attention to detail, and finally shipping the finished product to the various market centers.

Factors entering into sheep feeding: I find it convenient to make several groups of the principal factors entering into the feeding or fattening of sheep for market, and will divide the subject as follows:

(a) The quality of sheep desirable for feeders: I have found that the so-called coarse wools or mutton sheep give the largest returns in proportion to the amount of feed consumed, though the investment is perhaps a little larger. We purchase these sheep either by shipment direct from the mountain ranges of the far West or buy them at Omaha, Chicago, St. Paul, or other large markets.

(b) Initial costs: To the first cost of an animal bought for feeding purposes we might begin to add charges, the first item of which is usually a commission ranging around 5 or 6 cents per head. Secondly, whether bought on the range or the market, the item of freight charges to the point of feeding enters into the calculation. In addition to the above, we have general items of expense for traveling, etc.

(c) Feed required: The predominant item in the feeding or fattening of sheep or lambs is usually grain, wheat screenings, or some substitute therefor. Hay is a large, indispensable item, and at times we find it profitable to use oil meal.

(d) Miscellaneous expenses: This group includes such items as salt, which is indispensable. The dipping of sheep, required by quarantine regulations of the Government; shearing occasionally necessary; pasture, where sheep are brought to the feeding station before the proper time to feed has arrived; insurance loss and interest on the investment. In addition to these miscellaneous items, we must consider the equipment, consisting of feed barns, yards, lots, feeder mangers, wagons, horses, and tools necessary to carry on the business. These investments are sometimes quite large, and the interest and depreciation or upkeep thereon make a considerable charge per year on the sheep or lambs fed. In my own case my plant represents a cost of about \$30,000. A large item to be considered is that of labor.

(e) Marketing: After the finishing or fattening process is over we go to market. Here again we encounter freight charges from the point of feeding to market, yardage, and commission, and our gross cost is only ascertainable after all these costs have been added.

Concrete illustrations: I have thought the best way to give this committee an exact idea of the costs and hazards met with by the feeder in handling his business would be to give the exact results, in figures, of my own experience in the past year in the feeding of one lot of sheep and one lot of lambs.

About the 15th of October, 1910, I began to feed about 6,000 ewes which I had shipped in from Montana or purchased elsewhere. For convenience in figuring I have reduced the results to a per head basis, taking 1,000 head of sheep for the unit.

EXAMPLE NO. 1.

Cost and result of feeding 1,000 Montana ewes.

First cost per head on range	\$1.65
Freight paid and feed en route to Chicago	.67
Total cost in feed yards	2.32
Hay, \$13 per ton, one-half pound per day per head for 105 days, or \$342.25 per 1,000, or 34 cents per head	.34
Screenings, \$11.75 per ton, 2½ pounds per day, for 105 days, or \$1,539.25 per 1,000, or	1.54
Corn, 50 cents per bushel, 1 pound per day, 50 days, or \$446.50	.45
Salt	.01
Insurance (1½ per cent on \$5 per head)	.02
Loss from death and unavoidable causes	.07
Interest (at 7 per cent on \$3.84, average value)	.07
Labor	.24
Interest and depreciation on equipment	.16
Total cost feeding per head	2.90
First cost sheep per head	2.32
Yardage, feed, commissions, etc., Chicago	.12
Total cost per head sold	5.24
Net returns on Chicago market, weighing 109	4.58
Showing loss per head of	.70

And I will state to the committee that those ewes topped the market every day they were in there for that class of ewes—well-fed western ewes—

Senator CLARK of Wyoming. Taking out your interest charge there, would it show a loss or a gain?

Mr. STERECKER. It would show a loss—a considerable loss.

Senator CLARK of Wyoming. It would still show a loss?

Mr. STERECKER. Yes, sir. The interest charges amount to, interest and depreciation, 16 and 7 cents—that is, only 23 cents charged for interest and depreciation for both the sheep and the plant. So that would only bring that down to 53 cents loss per head, regardless of interest and depreciation.

EXAMPLE NO. 2.

On Oct. 1 I began the feeding of 1,000 lambs at Manitowoc.	
These lambs cost \$6.25 per hundredweight, weighing 52 pounds at Chicago, or, each	\$3.35
Freight to Manitowoc, Wis., from Chicago	.12
Commission charges	.06
Total, first cost, each	3.53
Feeding cost:	
Clover hay, at \$14.50 per ton, $\frac{1}{2}$ pound per day per head, or \$487 per 1,000, or, per head	.487
Screenings bought locally at \$11.75 per ton, 2 pounds per head for 40 days, $\frac{1}{2}$ pound for 50 days, \$810 per \$1,000, or, per head	.81
Corn, 50 cents per bushel, 1 pound per day for 50 days, \$366 per 1,000, or, per head	.366
Oil meal, $\frac{1}{2}$ pound per day per head for 30 days, or \$103.75 per 1,000, or, per head	.104
Miscellaneous expense:	
Salt, per head	.001
Labor for 90 days' feed, per head	.21
Insurance, per head ($\frac{1}{4}$ per cent on \$5 per head)	.013
Loss per head, from deaths, etc.	.087
Interest, per head (7 per cent on average value, \$4.92)	.081
Interest and depreciation equipment, per head	.16
Making a total cost of feeding per head amounting to	2.323
First cost on Chicago market	3.53
Freight, Manitowoc to Chicago, per head	.14
Yardage and selling commission	.12
Total cost, per head, sold	6.113
Jan. 2, 1911, sold 980 lambs, Chicago, at average price, per head, of	5.12
	.995

Thus showing a loss of the difference, or 99½ cents per head, or a loss on 1,000 head of lambs fed amounting to \$995.

On this particular lot of lambs—as you will note, I purchased them weighing 52 pounds—the selling weight was 80 pounds, thus showing a net gain during a 90 days' feed of 28 pounds, the total cost of which was \$2.78, or about 10 cents per pound. The finished product weighing 80 pounds should have sold at least for \$1.50 per hundredweight higher than was the cost of the original feeder lambs which I purchased. As a matter of fact, I sold them at an advance of only 5 cents per hundredweight over and above the price paid as first cost per hundredweight. This accounts in a large measure for my heavy loss.

I have endeavored to ascertain why the market has declined so seriously during the fall and winter months, and have come to the conclusion that it was owing to the agitation for free meats and a general prediction of lower prices for sheep, owing to the fact that Congress had threatened to remove the protection both from wool and mutton.

The feeding of sheep upon screenings and other by-products of agriculture has grown to be a magnificent industry. It is estimated last year that approximately 6,000,000 sheep were fed in the United States upon such products. It is my judgment that the men engaged in this sheep feeding lost close to \$1 per head on each sheep handled.

The feeding of sheep is a matter of importance not only to the sheep feeder but to the general farmer of the Middle West, as it offers him a good market for his products and hundreds of these farmers directly engage in this enterprise themselves.

It appears to us, as sheep feeders, that we are able to furnish all the mutton that this Nation can consume, at fair prices, and it seems to us dangerous to lay down the bars and admit free sheep from Canada and free mutton from the world. Had our sheep feeders and sheep breeders received an unfair price for their products in the past the consumer might be justified in demanding a reduction, but since we have so fully shown that the average price received for sheep by the feeder is small the consumer can not justly have any complaint from this source.

I fully believe that if our markets are given to the sheep breeders of the Canadian Northwest they will develop a sheep industry of approximately 20,000,000 head. With the rapid development of her agricultural lands and her increased production of cereals it necessarily follows that the breeders of Canada will have access to vast quantities of cheap Canadian sheep foods, and if these sheep are to be permitted to enter this country free of duty it surely means that our breeders must sacrifice sheep feeding in this Nation, or else move to Canada and develop the industry there, where feed and other necessities are obtained at a lower cost. As an evidence that the Canadians are already preparing to take over our feeder market, I wish to quote from Bulletin No. 12 of the Canadian department of agriculture, page 47:

"During the past few years sheep and lamb feeding has been carried on quite extensively at grain-shipping centers in Canada. At Moosejaw, Port Arthur, and other points sheep fattening has become an important industry. At these places very large quantities of elevator screenings, consisting of broken wheat, weed seeds, and short pieces of straw, are cleaned out of wheat prior to reshipping. The value of this material as food for fattening sheep and lambs is very high, producing rapid gains in weight and mutton of excellent quality. Previous to the fall of 1905 large quantities of screenings were annually exported from Port William and Port Arthur to feeding yards in Minnesota, but since then this by-product has been fed at Port Arthur."

Even in the face of our present tariff the Canadian sheep man has found our markets an important point for the disposal of his sheep.

Quoting again from the above bulletin, on page 93, we have the following:

"In the year ending April 1, 1907, the export of lambs from Ontario to the United States amounted to about 125,000 head."

Every lamb or sheep that is brought from Canada to this Nation displaces one that is raised here. The product of the Canadian sheep breeder, if this treaty is enacted, will come directly in competition with the small sheep farmers of the Middle West and will probably mean that they will have to sacrifice the sheep industry.

The admission of mutton from Australia, New Zealand, South America, and other countries should be strongly condemned, for it must be admitted that meats, on their cheap lands and with their cheap labor, can be produced at a very much smaller amount than can be done by the breeders of the United States. If it were possible that the benefits of the admission of these foreign meats would be accorded to our consumers, there would at least be some argument in its favor, but it is admitted by all authorities that the packing interests of the United States are now in control or will shortly control the dressed meats of all foreign countries, and in order for these meats to reach the consumer of this country they will have to pass through the same hands that have been responsible for the high prices in the past.

Senator LA FOLLETTE. How long have you been engaged in this business?

Mr. STERECKER. About eight years.

Senator LA FOLLETTE. How extensively—how many sheep do you feed annually, on the average?

Mr. STERECKER. I have fed all the way from 15,000 to 25,000, at different points in northern Illinois and Waukesha, Wis., and in Manitowoc, Wis.

Senator LA FOLLETTE. How was the market prior to January of this year?

Mr. STERECKER. It was low in the fall, in October—September, October, November, and December. It was the lowest market we have seen for a good while; that is, the feeding of stock, what we call the feeder end, but it was still lower after January. There has been an unusual marketing of sheep this fall and winter, some say more so than in a good many years.

Senator LA FOLLETTE. That is, more sheep have been marketed?

Mr. STERECKER. Yes, sir.

Senator LA FOLLETTE. Do you think the agitation—

Mr. STERECKER. I think the agitation has had the most to do with it; there is no other apparent reason. It seems to be foolish to carry this stuff and send it on to the market.

Senator CLARK of Wyoming. I was going to ask you if you know—I confess that I do not, although I live in the sheep country and hear constant complaints—I think it is the fact that for the last year, or since the last shearing took place, the wool market has been practically dead.

Mr. STERECKER. It has.

Senator CLARK of Wyoming. In other words, there are many of the sheepmen in the country in which I live—a State which perhaps has as many sheep and as much wool as any other State in the Union—who have been accustomed for years to contract beforehand for the clip for a long while, and I did not know but what during the entire spring they were unable to bring that wool at any figure, and the price of the wool now; that is, the wool on the range, or at a station where it is shipped. Two years ago it was practically from 50 to 75 per cent higher than it is now.

Mr. STERECKER. A year ago you could get for a lot of fat sheep wool—surrounding Chicago, say—you could get from 22 to 25 cents a pound. The price now is from 10 to 18; 18 is an extreme. You might say from 15 to 17.

Senator CLARK of Wyoming. And that discrepancy in price occurs in the mutton sheep, just the same as it does in the wool.

Mr. STERECKER. Oh, yes, sir; the two collectively.

Senator CLARK of Wyoming. So that the loss is heavy all around?

Mr. STERECKER. The loss is very heavy all around. I have met men this winter—I meet probably 20 or 30 every time I go to Chicago—and they all have lost, every one of them. You must have a change of value as well as your gain to pay for feeding. You must change your sheep so that if you buy lamb at 6 or 6½ cents you must change these lambs to at least 7 or 8 cents. You understand what I mean; you must change the value of those sheep to get the value of the lower grade of sheep to get a profit out of them.

This year there has been no change in value, the fat sheep having sold no higher than the feeder at any time during the winter.

Senator KERN. You say wool has been reduced about 10 cents a pound?

Mr. STERECKER. The last year.

Senator KERN. About 10 cents a pound?

Mr. STERECKER. Yes, sir.

Senator KERN. The mutton about the same?

Mr. STERECKER. The mutton more than that—mutton, not lambs especially. A year ago we were selling lambs at from 8½ to 9 cents a pound, clipped lamb.

Mr. HEYBURN. Mr. President, I am going to leave the sheep industry at the mercy of fate. If these people have to stand and mark time in the business world for four years, they can do it; but when the command "forward, march" comes at the end of that time from some great commander who knows what it is to be a Republican, and they advance their foot, it will be to crush out trimmers and those who give in when a fight is put up to them.

Mr. WARREN. Mr. President, a number of others wish to speak on the pending measure from whom the Senate would probably rather hear than from me, as I confess to having been rather prolix on a former occasion when a wool tariff schedule was under discussion.

The speech of the Senator from Montana [Mr. Dixon] has had in it very much with which I agree, although I am not ready to admit that the general ruling wool prices in London are so near the Boston prices as now, or that first-class wool has received never above 5 cents per pound protection.

The 1910 Statistical Abstract shows:

Total production of wool (in grease) in the United States	pounds	321,362,750
Total amount of wool of all kinds imported into the United States, including wool on skins	pounds	263,928,232
Total amount collected on this importation		\$21,128,728.74
Showing a revenue collected per pound of, on an average	cents	8+

A small amount of this imported wool was scoured and some washed, both of which took a higher tariff rate than the regular 11 cents per pound on class 1 and 12 cents on class 2; but,

on the other hand, 120,721,019 pounds of wool were of the third class, about 19 per cent of which took a tariff of 7 cents per pound, while about 81 per cent, or nearly 100,000,000 pounds—over one-fourth of our total importation—brought a revenue of but 4 cents per pound.

Thus it is fair to assume, I think, even allowing for the American woolgrowers' loss of percentage of protection through importation of skirted wool and wools of less shrinkage than ours of this country, so fully described by the Senator from Montana, that we have nevertheless received in normal times from 5½ to 8 cents real protection for American growers of No. 1 wool shrinking 66½ per cent, and sometimes the full 11 cents, when the woolgrowing industry was not menaced by threats of tariff revision, tariff repeal, and so forth.

I wish to say in explanation of what I alluded to a few moments ago when I interrupted the Senator from Montana, that the importation of skirted wools has been of insidious growth. It was done, in the first place, without permission, done in a sort of fraudulent way, as there was no affirmative law permitting it, and insufficient statutes against it. Finally, in later legislation—the Dingley Act—the woolgrowers, dealers, and all parties concerned, consented to it. The growers, all along, have been cognizant of the fact that they have not been getting constantly the full benefit of the 11 cents per pound rate on first-class, heavy-shrinkage wools. Unfortunately, we have had long periods of abnormal conditions which have depressed the American wool market and greatly reduced the tariff benefit to the grower. During the free-wool period fol-

lowing the passage of the Wilson-Gorman Act, and especially after the elections predicated the reimposition of tariff on wools, several hundred million pounds of wool and immense quantities of woolen goods in excess of current needs were imported free, and for some three years the market was loaded down with this free wool and cloth.

Then we have had, as now, threatened free wool or greatly reduced tariff; mills running on reduced time; trade sluggish, and prices drooping, until at times our wool prices in Boston and New York have been but from 2 to 3 cents higher than those in London.

In fact, the constant nagging at Schedule K, the threat of free wool, and the certainty that the tariff on wool and woolens would be made a political football for the time being and probably for a number of months longer, has had its deadly effect during the past two seasons, and the value of wool in the United States has shrunk to almost the foreign value, and the flockmasters are struggling hard to pay taxes and preserve their herds. It is but the truth to say that nearly all the large woolgrowers of to-day are carrying substantial debt loads caused by the hard winters and drought of the past two years and the low prices on wool due to the continual lambasting of Schedule K and everything and everybody connected with it or giving a good word for it.

This last spring, curiosity to know exactly what our wools would bring in foreign markets caused a shipment of wool to be made from the United States to Bradford, England, which was disposed of with the following results:

Results of sale of United States wool in Bradford, England.

Lot No.	Grade.	Shrinkage.	Grease price, Bradford.	Scoured price, Bradford.	Which netted Philadelphia in grease—	Current Philadelphia price was at the time—
		Per cent.	Cents per pound.	Cents per pound.	Cents per pound.	Cents per pound.
98	Half-blood Wyoming.....	65	15.71	44.88	14.69	18
1890	Wyoming original.....	71	12.67	43.70	11.71	14
32	Medium Montana.....	58	16.50	39.24	15.45	19 to 20
7870	No. 1 scoured.....			45.62	44	48

In the above calculation, freight and insurance at the rate of ⅞ cent per pound are taken as the cost of delivering wool in Bradford; and in figuring the net price in Philadelphia (sold Bradford), the cost of delivering wool in Bradford and the selling commission are deducted.

In case of the scoured wool, the freight may be higher than on the grease wool, and the net price in Philadelphia proportionately lower.

From this table it will be noted that—

Half-blood Wyoming was worth:	Cents per pound.
In Philadelphia.....	18.00
In Bradford.....	15.71
A difference of.....	2.29
Wyoming original (unsorted) was worth:	
In Philadelphia.....	14.00
In Bradford.....	12.67
A difference of.....	1.33
Medium Montana was worth:	
In Philadelphia.....	19.20
In Bradford.....	16.50
A difference of.....	2.70

However, the real difference, if an American woolgrower should seek to sell in a foreign market, would be greater, because of expenses of exportation charges, including freight, insurance, commission, and so forth.

The natural effect of the low prices in this country is to cut down the importations of wool, as will be noticed from the following tables showing the importations at Boston during two successive weeks in this present month:

Transactions in wool at the port of Boston during the week ending Wednesday, July 12, 1911.

ENTERED FOR IMMEDIATE CONSUMPTION.

	Pounds.	Value.*
Class 1.....	30	\$7.00
Class 2.....	12,387	2,869.00
Class 3.....	54,963	9,937.00

ENTERED FOR WAREHOUSE.

	Pounds.	Value.
Class 1.....	None.	None.
Class 2.....	32,163	\$8,308.00
Class 3.....	627,160	77,946.00

WITHDRAWN FROM WAREHOUSE FOR CONSUMPTION.

	Pounds.	Value.
Class 1.....	558,973	\$114,946.00
Class 2.....	42,650	11,389.00
Class 3.....	367,928	47,098.00

Transactions in wool at the port of Boston for the week ending July 19, 1911.

ENTERED FOR IMMEDIATE CONSUMPTION.

	Pounds.	Value.
Class 1.....	None.	None.
Class 2.....	None.	None.
Class 3.....	195,606	\$31,360

ENTERED FOR WAREHOUSE.

	Pounds.	Value.
Class 1.....	229,611	\$47,757
Class 2.....	15,076	3,845
Class 3.....	13,875	3,462

WITHDRAWN FROM WAREHOUSE FOR CONSUMPTION.

	Pounds.	Value.
Class 1.....	362,600	\$87,018
Class 2.....	40,161	9,596
Class 3.....	121,354	15,424

As some quotations of market prices have been made, I shall ask permission to insert in my remarks at this point in the RECORD a very complete list of prices current July 15, 1911, of domestic wools in Boston and also foreign wools at the same place, the latter being, of course, with duty paid. The reader in examining these figures will be obliged to follow the description carefully as to whether wools are unwashed, washed, or scoured:

Boston wool market, July 15, 1911.

DOMESTIC WOOLS.
Ohio and Pennsylvania Fleeces.

Delaine washed.....	29	at 30
XX.....	27	at 28
Fine unmerchantable.....	21	at 22

One-half blood combing	25	at 26
Three-eighths blood combing	24½	at 25½
One-fourth blood combing	24	at —
One-half, three-eighths, and one-fourth clothing	21	at —
Delaine, unwashed	24	at 25
Fine, unwashed	20	at 21

Michigan, Wisconsin, and New York Fleeces.

Fine, unwashed	18	at 19
Delaine, unwashed	23½	at 24
One-half blood, unwashed	—	at 25
Three-eighths blood, unwashed	24	at 25
One-fourth blood	23	at 23½
One-half, three-eighths, and one-fourth clothing	19	at 20

Kentucky, Indiana, and Missouri Fleeces.

Three-eighths blood	—	at 24
One-fourth blood	23	at 24
Braid	21	at 22
Black, burry, and seedy cotts	15	at 16
Georgia	20	at 21

SCOURD BASIS.**Texas.**

Fine, 12 months	52	at 53
Fine, 6 to 8 months	45	at 46
Fine, fall	42	at 43

California.

Northern	48	at 50
Middle county	46	at 47
Southern	45	at 46
Fall, free	40	at 42
Fall, defective	32	at 33

Oregon.

Eastern No. 1, staple	55	at 56
Eastern, clothing	—	at 50
Valley No. 1	46	at 47
Valley No. 2	44	at 45
Valley No. 3	39	at 40

Territory.

Fine, staple	55	at 57
Fine medium, staple	53	at 55
Fine, clothing	50	at 52
Fine, medium clothing	47	at 49
One-half blood combing	52	at 55
Three-eighths blood combing	50	at 51
One-fourth blood combing	47	at 49

Pulled.

Extra	52	at 54
Fine, A	50	at 52
A supers	46	at 48
B supers	41	at 44
C supers	36	at 38
Fine combing	50	at 52
Medium combing	48	at 49
Coarse combing	40	at 45
California, finest	48	at 50
California, second	47	at 48

FOREIGN WOOLS.**CLASSES I AND II—SCOURD BASIS.****Australian.**

Port Phillip combing:		
64s	80	at 81
60s	76	at 78
70s	83	at 84
80s	86	at 88
80s fine clothing	88	at 92

New Zealand.

Crossbreds:		
36s to 40s	44	at 45
40s to 44s	49	at 50
46s to 48s	52	at 54
50s	62	at 63
56s	66	at 67
Geelong 46s	58	at —
Geelong 50s	64	at 65
Geelong 56s	65	at 67
Geelong 60s	76	at 79

Montevideo.

Grease:		
Primera	33	at 34
One-half blood	35	at 36
Three-eighths blood	33	at 34

Argentine Crossbreds.

Lincoln	29	at 30
Straight one-fourth blood	31	at 32
High one-fourth blood	33	at —

English and Irish.

Lincoln wether	33	at 35
Irish hogs, super.	39	at 40
Irish wether	37	at 38
Shropshire hogs	40	at 41
Shropshire wether	39	at 40

CLASS III.

Aleppo washed	31	at —
Angora	17	at 17½
Bokhara, colors	17	at 17½
Bokhara, white	24	at 25
China combing	20	at 21
China, ordinary	15	at 19
Donskol, ordinary	30	at 31
Jorlas	35	at 37
Kandahar	35	at —
Karadi, choice	27	at 28
Karadi, ordinary	25	at 26
Khorassan, first clip	23	at 24
Khorassan, second clip	22	at 23
Pyrenean	17	at 17½
Vickaneer	34	at 35
Scotch	23	at 24
Mossul	26	at 28

On a former occasion, when there was some discussion of wool duties in progress in this Chamber, the Senator from Mississippi [Mr. WILLIAMS] sneeringly remarked that he would have the wools raised in foreign countries rather than in our own, because of better conditions in foreign climes than in ours; that it was not necessary for the United States to raise the bananas we eat nor the wool we consume, treating them as baby industries which must be braced up and supported by an outrageous bounty, but that we should turn our lands and our energies toward raising crops of a more stable variety, and let the foreign countries raise the wool, and so forth.

Well, Mr. President, we have to some extent been doing that. The party to which the Senator from Mississippi belongs has on many occasions shown an earnest of its desire to relieve the woolgrower, and to some extent the manufacturer, of all assistance and encouragement, and the other countries have had every opportunity, considering the large amount of wool we have been compelled to buy from them in addition to that we have raised, to cultivate, extend, and enlarge the sheep and woolgrowing industries. But, nevertheless and notwithstanding this fact, the world's supply of wool does not increase with rapidity, does not nearly increase as fast as the population, and the ratio of increase in woolgrowing in the United States compared with the growth in population has been fully as great as that of the most favored nation on earth in the woolgrowing line during all of those periods when we have had uninterrupted benefits from an adequate tariff. We need more wool and use more wool per capita than any other country. In fact, we use nearly one-fifth of the whole world's product, which is less than 3,000,000,000 pounds, notwithstanding our population is only, say, 95,000,000, as compared with 1,520,000,000, the approximate total population of the world.

To show the countries in which the numbers of sheep have increased or decreased during the 15 years between 1894 and 1910, I submit the following table:

The world's production of sheep, 1894-1910.

	1894 (in mil- lions).	1910 (in mil- lions).	In- crease (in mil- lions).	De- crease (in mil- lions).	In- crease (per cent).	De- crease (per cent).
Europe.....	192	178	—	14	—	7½
North America.....	45	63	15	—	31½	—
South America.....	101	101	—	—	—	—
Oceania (including Australasia).....	119	115	—	4	—	3½

From this it appears that North America is the only continent in which there was an increase, and this increase, amounting to 31½ per cent, has been due to the protective tariff act passed in 1897, the so-called Dingley law. Europe in the meantime has decreased her number of sheep 7½ per cent; Oceania, including Australasia, has decreased hers 3½ per cent, while South America has just held her own.

I am aware of the prevailing belief that we are not keeping up with the times in sheep and wool growing; that we are being eclipsed by the great woolgrowing countries of Oceania and South America; but the cold facts and figures show that North America leads them all—and in this connection the United States may be considered pretty nearly as "North America."

Returning to the matter of proportion of increase in population and sheep, we will go back some years.

In 1880 we had 50,155,000 people and 40,500,000 sheep, or 807 sheep to each 1,000 people, or 45 per cent sheep and 55 per cent population.

After the four succeeding years and in 1884—after which time the effect of the tariff act of 1883 became apparent—we had 55,000,000 people and 50,500,000 sheep, giving figures in round half millions, or an increase of 918 sheep per 1,000 people, or 13½ per cent in proportion, bringing the percentage of sheep up to 48 per cent, as against 52 per cent population.

Under the depressing influence of the tariff act of 1883 we ran down hill again, as follows:

In 1889 we had 61,000,000 people and 42,500,000 sheep, or 697 sheep to each 1,000 people, a decrease of 24 per cent in the proportion, leaving the percentage of sheep 41 per cent and that of population 59 per cent.

Then followed the McKinley Tariff Act and adequate protection, with the result that in 1893 we had 68,000,000 people and 47,000,000 sheep, or 712 sheep to each 1,000 people, an increase of 2 per cent in 4 years, or 42 per cent sheep to 53 per cent population.

Then followed the Wilson law, and in 1897 we had 70,000,000 people and 37,000,000 sheep, or 528 sheep to each 1,000 people, a

decrease of 26 per cent in the proportion, or 35 per cent sheep to 65 per cent population.

Then came the Dingley Act of 1897, continued by the Payne Act of 1909, and in 1910 we had 92,500,000 people and 57,000,000 sheep, or 616 sheep to each 1,000 people, an increase of 16½ per cent in 13 years, making the proportion 38 per cent sheep to 62 per cent population.

These figures show clearly and conclusively that if we would permit an adequate tariff to remain undisturbed in protection of the woolgrowers we would constantly increase our proportion of sheep as compared to population, and would ultimately raise all the sheep we would need for wool to clothe our people and for meat foods such as are furnished by mutton to support our increasing population.

Furthermore, looking at the matter from a revenue viewpoint: Schedule K has brought into the Treasury of the United States since the Dingley law was enacted nearly \$400,000,000. Last year the revenues from Schedule K were as follows:

Unmanufactured.....	\$21, 128, 728. 74
Manufactured.....	20, 771, 964. 26
Total.....	41, 900, 693. 00

As revenue producers sugar stands first, with returns for 1910 of \$53,039,304.17, being an average rate of 52.27 per cent ad valorem.

Wool stands second, with returns for 1910 (as above) of \$41,900,693, being an average rate of 44.31 per cent on unmanufactured and 90.12 per cent on manufactured, ad valorem.

Cotton stands third, with returns for 1910 of \$38,077,844.04, being an average rate of 56.04 per cent ad valorem.

Tobacco stands fourth, with returns for 1910 of \$24,124,239.34, being an average rate of 81.11 per cent on leaf tobacco and 84.30 per cent on unmanufactured tobacco, ad valorem.

So it appears that wool stands second to-day as a revenue producer, and at a lower ad valorem tariff than any one of the other leaders.

The reports of the Census Bureau will show as the number of wage earners in textile industries in 1909, 834,000. Of these, about 300,000 were engaged in wool manufacturers, including hosiery and knit goods of wool or part wool, and nearly 600,000, inclusive, were engaged on wool, if we include the manufacture of hats, caps, clothing, and so forth.

The latest wool figures give the value of the total manufactured wool product in 1909 a trifle over \$500,000,000, and the value of the cotton product something over \$625,000,000.

Interested in the growing of the wool are more people than there are engaged in manufacturing and working up the material, probably two to one.

The total number of sheep in the world is less than 700,000,000, the number having shrunk in the last 15 years about 40,000,000 head, while the world's increase in population during the same period amounted to nearly or quite 100,000,000. But during the 15 years mentioned, while the world's total number of sheep has shrunk 40,000,000, the sheep of this country have increased from less than 38,000,000 to 57,000,000.

Of the total number of 700,000,000 sheep mentioned, this country raises about one-twelfth; but of the wool raised for market our proportion is more than one-ninth, while our consumption of wool is over one-sixth and nearly one-fifth of the whole, as before stated. The United States, as I have also said before, consumes far more wool than any other nation in the world.

But, Mr. President, the mutton proposition is a most important feature affected by Schedule K. Removal of the duty on wool will put the mutton grower out of business as well as the woolgrower, excepting the growers of small bunches raised and conducted near large centers of population where early lambs and rare cuts bring high prices. The great mutton supply for the millions, that must be raised far away from market in the country where there is only grazing land, which does not ripen the mutton for market, where sheep must be transported by cars or boat from long distances to the corn-growing localities and there finished and then again reshipped and transported to the markets, can not be produced for the returns on mutton alone with wool a mere by-product. With both wool and meat as principal products, we can increase, as I have before remarked, both our wool and mutton supply up to our demands.

Of course the cost of raising beef, mutton, and wool—industries which require vast stretches of land for pasturage and for the raising of forage and grain—must increase rather than decrease as the population becomes denser and higher cultivation and price of land become necessary. But with better care, more liberal feeding, and first-class prices for first-class articles the returns will also be larger.

Again, as land increases in value, so must agricultural crops in all lines pay better returns.

Mr. President, in 1900 there were 10,181,615 persons engaged in agriculture. Of these, 4,410,877 were agricultural laborers, the balance farmers, stock raisers, dairymen, and so forth. Later figures would probably increase the numbers.

Now, Mr. President, are these more than 10,000,000 people, and nearly 5,000,000 laborers in the fields, to be condemned to free trade or a free raw-material policy for everything they raise, while manufactured products of all kinds which they use and have to buy are the beneficiaries of a protective tariff?

For, even with the measures proposed by the Democratic Party and by those of the Republican Party who believe in lower duties, there remains protection for the manufacturer as against nothing, or nearly nothing, for this great mass of agricultural laborers; for an owner—farmer, stock raiser, or dairyman—is as much a laborer as his hired man, and oftentimes more so, for while the hired man or hired woman puts in the 8 hours a day contracted for, the owner and his family are often engaged 12 to 18 hours a day in order to keep the pot boiling and make both ends meet.

We, as patriotic and progressive Americans, must live and let live, and I can assure my brother Senators, and wish them to believe me when I say it, that less protection for the sheep growers than they now have means the practical wiping out of the woolgrowing interests of the United States.

I was here in this Chamber—I believe I was sitting in the very seat near which I now stand, although I was an ex-Member of the Senate at the time—and talking with the then chairman of the Finance Committee, Mr. Voorhees, and to another prominent member of the Finance Committee, Mr. Jones of Arkansas. It was during President's Cleveland's administration, when the Wilson bill was under consideration, and I then prophesied what would be the effect of free wool. While I do not claim to be a "genuine" prophet, the effect, nevertheless, was as I then stated it would be, and it will be that again.

When the last sundry civil appropriation bill was up there came an amendment from the Democratic side of the aisle, voted for unanimously, I think, by that side, that the Tariff Board should take up the wool proposition and should give us the benefit of its investigation before we met in December; and I beg of Senators upon that side and upon this side to carry out in good faith what was then done, what we have a right to expect, and not undertake to attack an industry that affects the million people directly interested in the woolgrowing interest and auxiliary interests without having better information than we now have. There were no hearings granted at the other end of the Capitol. We have had none here. We have the Tariff Board agents all over the United States now at work on wool and woollens; also in the foreign countries which raise or manufacture wools. It is a mere matter of waiting until next fall; and then, while we are not ready—at least I am not—to say that we are giving more protection to the woolgrower than we should allow, at the same time I believe I speak faithfully for the woolgrowers all when I say that they are ready to meet the issue and ready to take whatever may be your mature judgment, and to try to live under it after the case has been fully and impartially made up on the issues joined and judgment rendered.

Mr. BACON. Will the Senator permit me to ask him a question?

Mr. WARREN. Certainly.

Mr. BACON. I think it is extremely unjust to those who are engaged in this attempt to legislate to say that we are proceeding blindly, without any information; and I simply want to ask the Senator from Wyoming if it is not true that two years ago there were most complete, full, and ample hearings, all of which are now in print, available for the information of Congress; information not only now available, but information which all of us two years ago had not only the opportunity to examine but the actual duty, which we performed, of examining that elaborate testimony? Is not that true?

Mr. WARREN. Only a word in reply. The country did not seem to be satisfied with that finding, and certainly the Senator's party was not satisfied. So that in justice I think we should have a second hearing and make a second judgment.

Mr. BACON. I beg the Senator's pardon. I do not think he understood me accurately. My point is this, that we are not proceeding without information. There was then given to us the fullest information by the woolgrowers and the wool manufacturers, and conditions are not now, so far as I know, materially different from what they were then.

Mr. WARREN. Yes; there are differences in conditions. I have never said—at least, if I did, it was a mistake to say—that we are without any information; but certainly we have not the best or latest information. If there is any efficacy in

a Tariff Board that has given many months' work to this, and expects to give many more, this is the opportunity to test that question. And certainly every two years, or whatever time may pass, affects every industry, and we should have in this industry the very latest information before acting so drastically.

Mr. BACON. The Finance Committee of the Senate is composed of a majority of Republicans, and certainly they have had ample opportunity to possess themselves of information since this bill came from the House.

Mr. WARREN. On the contrary, the bill was referred by a vote of the Senate to the Finance Committee with instructions to report it within about 15 days, or not more than 19 at most, without instructions to have hearings, and under the evident assumption that there would be none. As a matter of fact, the time left for the committee was not sufficient to enable its chairman to notify the woolgrowers and have them prepare their briefs and appear before the committee.

The major portion of the wool grown in this country is raised in remote sections from two to three thousand or more miles from Washington, and the sheep owners at this time of the year are generally in the mountains with their sheep at places far away from railroads and post offices, and hence it was out of the question for the committee to secure information from the woolgrowers. Besides that fact, it was pretty well understood on both sides of this Chamber that the majority of those who voted for the hurry-up call on this bill did not desire any information from the woolgrowers nor from the manufacturers of woolsens.

Mr. President, this wool bill seems to suit none except those who wish to use it for a political football. The free traders do not like it because it smacks of protection. The tariff-for-revenue-only people are not satisfied, because some think the rate too high and others think it too low. The protectionists are surely dissatisfied with it, because it is unscientific, lopsided, and inapplicable. As an example of the sentiment expressed, I wish to insert at this point an article from the Commercial Bulletin, of Boston—issue of Saturday, June 3, 1911—which is a trade paper that has made a specialty of wool and wool manufactures, along with other lines, for many years. This paper was for years a free-wool paper, advocating protection for the manufactures of wool—like many other papers in New England. It has been clamoring for the reform of Schedule K and the wool tariff for, lo, these many years. But the House bill does not suit even this organ of free wool or lower tariff; and it stoutly maintains, as will be noted in the article quoted, that:

Even the most rabid opponents of protection have discovered that free wool spells "ruin" to the woolgrowing industry of the United States. Free wool and the radically cut duties on woolsens that once wrecked the manufacturing as well as the growing of wool in this country also means, as all but the rabid have recently discovered, such a reduction in the revenue as to make such a change out of the question.

And again:

A more contemptible sacrifice of the industries of the country for political effect has seldom been seen in American legislation.

Schedule K in its present form must go. The public will no longer tolerate it. When it does go, let us have something that shall be permanent, scientific, and equitable.

But I shall include the entire editorial. It is a fair specimen of its kind:

BUNCOMBE SCHEDULE K REVISION.

After much cogitation the Democratic members of the Ways and Means Committee have managed to produce a wool bill. This is a purely political bill, intended for political purposes, and while it is likely to pass the House, there is very little likelihood of its passing the Senate.

The essential feature in the bill is a change from the specific duties now imposed on wool to a uniform ad valorem rate of 20 per cent. This ad valorem rate is supposed to be the equivalent of a cut, roughly, of one-half the present duties on the raw material.

As a matter of fact it is a very much greater reduction than it appears to be. The present duties on wool are very much higher than an average rate of 44 per cent, as stated by Chairman UNDERWOOD in another column. Certain varieties of wool are absolutely excluded by prohibitive duties to-day and are unavailable to American manufacturers.

It is very fortunate that at least the foolish error of attempting to establish a sliding scale of duties has been definitely abandoned by all parties concerned. A yearly change in wool duties would mean a long protracted agony for the entire time consumed in the reduction, step by step, to ultimate free wool. Any change in the tariff should take place, once for all, after a reasonable period given to the trade to prepare for the new basis of business. The sliding scale has been tried before, and always with prolonged wretchedness and misery as a result.

It is interesting to note also that the radical program inaugurated by the Democratic Congress in 1893 has also been definitely abandoned. Even the most rabid opponents of protection have discovered that free wool spells "ruin" to the woolgrowing industry of the United States. Free wool and the radically cut duties on woolsens, that once wrecked the manufacturing as well as the growing of wool in this country, also means, as all but the rabid have recently discovered, such a reduction in the revenue as to make such a change out of the question.

Of course, it is sheer politics that prompts the introduction of any wool bill at this time. Congress has authorized the employment of a Tariff Commission to investigate the conditions of wool importation and wool production. In utter disregard of its own legislation for scientific tariff revision the present House of Representatives has prepared a

revision of the wool schedule, based on guesswork, pure and simple. Even if such a measure passed both Houses and was signed by the President it would again have to be changed in the light of the information to be shed by the Tariff Commission in its coming report.

A more contemptible sacrifice of the industries of the country for political effect has seldom been seen in American legislation.

Schedule K in its present form must go. The public will no longer tolerate it. When it does go, let us have something that shall be permanent, scientific, and equitable. It is idle to substitute for a schedule that with all its faults has at least made wool growing and manufacturing profitable mere crazy-quilt legislation that would benefit neither producer nor consumer and admittedly of so ephemeral a nature as to offer no hope of its continuance as a permanent settlement of the question.

The above differs somewhat from the articles that will be found in the acknowledged free-trade papers of to-day, as will be noted from the following, taken from a publication known as the Free Trade Broadside, edition of the current month:

A revenue tariff means repeated agitation and change incident to the ups and downs of party control. Free trade means a settlement once and for all of this most persistent and most troublesome issue of American politics. Let us build not on the shifting sands of popular impulse, but, basing our structure on the solid rock of equity and of justice, let us construct an industrial system which shall be in harmony with the laws of nature and with the highest aims of civilization and which shall bring increasing progress and well-being to mankind for all time to come.

There are a great many people in this country, including some manufacturers, and more especially those along the Atlantic coast, who, while believing in a protective tariff for themselves, wish everything to be free which they are called upon to buy. This spirit invades the professional men, too, who indulge the fallacious belief that, since their salaries or fees are duly prescribed, with a free-trade arrangement what they have to buy would be cheaper and hence their savings would be increased thereby.

While a superficial survey may indicate such a result, a deeper examination of the subject will develop that to sustain the salaries and fees enjoyed in prosperous times practically all classes of business must be prosperous; and experience has surely shown that general depression is more fatal to wage earners and salaried men than to those who employ labor in carrying on their various industries.

Some of our friends engaged in wool manufacturing, while believing in a tariff upon cloths, are anxious to have free raw material of every kind, and especially free wool. This class of narrow, selfish manufacturers finds various excuses to reach the thing desired without openly declaring for free raw material. A recent article in the New York Journal of Commerce and Commercial Bulletin, reprinted in and indorsed by the Boston Transcript, fairly illustrates this point. "It is to laugh" for the woolgrowers when they read such articles, for they know that, with the fertilizing benefits to the land used for sheep culture, and following the reclamation of vast stretches of arid and semiarid lands by irrigation and the dry-farming or deep-plowing process, great tracts of land, once nothing but sagebrush and sand, are now producing two to five crops of alfalfa and from 1 to 3 tons an acre per cutting, and are also producing other kinds of forage as well as small grains of all varieties, so that as the former "public range" has been taken up the increased productivity of the remaining portion is serving to increase the number of sheep which can be kept in a given county or State, rather than to diminish it.

Give the sheepmen, the woolgrowers, reasonable protection and you will hear nothing about decrease in flocks and shortage of land upon which to maintain them.

I will insert at this point the article I have referred to:

[From Boston Transcript, Mar. 30, 1911.]

NOT A PASTORAL LAND—THE TROUBLE WITH THE WOOLGROWING INDUSTRY OF THE UNITED STATES—THE LOGICAL AND ECONOMIC TENDENCY.

In view of the agitation for the revision of the wool schedule of the tariff the cry is raised in some of the Intermountain States that wool raising is becoming unprofitable. It is said that official figures show that the number of sheep in this country diminished from 45,000,000 in 1894 to 36,800,000 in 1907. That indicates that the sheep-raising or woolgrowing industry has not been greatly fostered by the tariff which had been in effect for 10 years before 1907. Would a removal of the duty on raw wool make any serious difference with it while supplying a sure stimulus to the industry of manufacturing woolen goods?

The trouble with making a flourishing industry of woolgrowing in this country is that it is not a land of shepherds or favorable to a pastoral life. As the land once free and unoccupied comes more and more to be taken up and settled it becomes more valuable for something else than for raising sheep. Other occupations are so attractive and lucrative for labor that sheep raising becomes too expensive, even if cheap land were still available. The fact is that even in Wyoming and Nevada the value of land and the cost of labor is becoming too high to make sheep raising a profitable business, and a tariff on foreign wool will not make it so without at the same time making woolen goods such an expensive luxury that only the rich can have them.

There will be considerable sheep raising on pasture lands as an incident of agricultural life so long as there is a wide demand for mutton for food, and wool will be an important by-product; but as land can be turned to other uses with more profit, and consequently rises in value, and as labor finds more lucrative employment than tending sheep, raising large flocks for the wool as a business is sure to decline. Woolgrowing will not be one of the industries of the country unless in a few restricted areas. There are other lands much better adapted to it

in parts of South America, in Australia and New Zealand, and in other countries that have no better use for a considerable part of their population than to make shepherds of them.

A pastoral life has its attractions, and no doubt it is more wholesome for body and soul than factory life, but it is to be feared that our country is not well adapted to it. We have been seeking industrial and commercial development, and the tariff has been devised to foster manufacturing industries. That was the excuse for adopting it and has long been the excuse for maintaining it, but there is nothing worse for infant or invalid industries than costly raw materials. If we are to have a woolen industry with any vigor or vitality or staying power in it, we must foster it by giving it a chance to get its materials to the best advantage. Then we may get the industry and also be able to wear woolen clothes, while the shepherds of Wyoming may find more profitable employment for their land and their labor.

One of the worst features of depending upon foreign countries for our clothing material, and one lamentably weak feature in the bill before us—in fact, in the propositions of both UNDERWOOD and LA FOLLETTE—is the shoddy question. The existing tariff against shoddy and rags is high enough to prohibit large importations of this disease-breeding, insect-bearing, filthy, cast-off clothing from foreign countries. To illustrate this I desire to quote a few figures.

Under the McKinley law the importations of shoddy were as follows:

	Pounds.
1891.....	215,714
1892.....	321,586
1893.....	229,583
1894 (8 months).....	142,040

Under the Wilson law:

	Pounds.
1894 (4 months).....	4,028,901
1895.....	20,718,110
1896.....	17,011,149
1897.....	44,505,470

displacing this much pure wool and giving the people a fraudulent, inefficient, insanitary substitute.

Now, note the change.

Under the Dingley and Payne laws:

	Pounds.
1898.....	459,197

only about one one-hundredth part of the amount imported the year before; and since that time it has averaged less than a half million pounds a year, and in 13 years has amounted to only about one-seventh of the amount that was imported in the one year 1897.

As to rags and rags included with shoddy, I quote the following from the Philadelphia Daily Trade Record. This article shows the amount of rags and shoddy used in this country and also in the United Kingdom. It seems that the United Kingdom, with considerably less than one-half, or about 40 per cent, of the population of this country, uses over three times the rags and shoddy used in this country:

EDITOR DAILY TRADE RECORD.

SIR: "The rag-working industry of the United Kingdom consumes about 1,000 tons of foreign rags weekly and probably more than 500 tons weekly of rags of English production." (From the Wool Yearbook, 1911, p. 50, published in Manchester, England.)

The amount of shoddy consumed by woolen and worsted manufacturers in the United States in 1909 was 53,621,000 pounds.

Imports of wool for the years ending June 30, 1909, 1910, and 1911.

Articles and countries.	12 months ending June—					
	1909		1910		1911	
	Quantities.	Values.	Quantities.	Values.	Quantities.	Values.
WOOL, HAIR OF THE CAMEL, GOAT, ALPACA, AND OTHER LIKE ANIMALS.						
Unmanufactured:						
Class 1.—Clothing.....pounds..dutiable..	142,580,993	\$29,455,598	111,592,978	\$27,231,052	40,041,167	\$9,031,751
Imported from—						
United Kingdom.....	54,606,609	11,809,956	35,647,097	8,629,515	14,628,265	3,458,004
Belgium.....	4,723,078	998,417	2,259,610	488,272	41,891	9,077
Argentina.....	41,442,475	6,879,691	23,586,578	5,462,687	13,368,327	2,540,024
Uruguay.....	4,911,914	990,981	7,152,724	1,779,341	572,955	123,665
Australia and Tasmania.....	30,617,828	7,547,130	34,574,678	8,861,538	9,119,624	2,387
Other countries.....	6,279,089	1,229,423	8,372,291	2,009,699	2,310,105	513,616
Class 2.—Combing.....pounds..dutiable..	21,952,259	4,591,559	31,614,235	7,931,145	12,496,468	3,293,233
Imported from—						
United Kingdom.....	18,384,147	3,851,934	26,907,556	6,746,157	7,153,256	1,865,475
Canada.....	1,484,641	306,713	1,607,927	425,430	1,071,759	261,475
South America.....	1,907,693	381,631	2,504,980	628,932	3,109,446	742,688
Other countries.....	225,778	51,281	593,772	130,626	1,162,050	423,655
Class 3.—Carpet.....pounds..dutiable..	101,876,052	11,124,837	120,721,019	16,058,647	85,086,328	10,903,001
Imported from—						
United Kingdom.....	31,103,417	3,585,550	28,419,718	4,070,954	21,026,462	3,100,852
Russia in Europe.....	7,121,774	798,027	15,280,453	2,272,610	12,167,410	1,715,994
Other Europe.....	9,152,250	1,091,388	13,337,106	1,853,056	8,898,228	1,187,742
Argentina.....	6,672,175	712,351	3,674,644	411,575	3,780,755	455,888
Chinese Empire.....	32,272,982	3,119,597	38,061,762	4,463,445	28,089,334	3,070,472
Turkey in Asia.....	7,017,879	858,810	9,262,975	1,462,644	4,880,512	647,433
East Indies.....	4,472,166	537,470	6,396,012	825,890	2,043,405	243,789
Other countries.....	4,063,409	421,644	6,288,349	698,464	4,200,522	480,831
Total unmanufactured.....pounds..	266,409,304	45,171,994	263,923,232	51,220,844	137,623,965	23,228,005

From bulletin of the United States Census Bureau, April 4, 1911, page 4: "United Kingdom, per annum (1910), 166,000,000 pounds; United States, per annum (1909), 53,621,000 pounds."

Very truly, yours,

DOMESTIC WOOLENS.

And the following from a recent issue of the New York Sun gives still further light upon the rag and shoddy business, including the use of cotton with wool as a substitute ingredient:

[From the New York Sun, May 4, 1911.]

SHODDY.

WASHINGTON, May 3.

It is frequently asserted that unless we purchase a wickedly over-protected imported material the cloth of which our garments are made is a combination of cotton and shoddy masquerading as "all wool." A companion assertion is that American clothes contain more cotton and shoddy and less wool than formerly. The facts seriously disturb these notions.

In 1899 the mills of the United States used 193,000,000 pounds of scoured wool, 69,000,000 pounds of shoddy, and 40,000,000 pounds of cotton, while in 1909 they used 290,000,000 pounds of wool, 53,000,000 pounds of shoddy, and 20,000,000 pounds of cotton. The cotton and the shoddy are used chiefly in the production of suits the factory cost of which, finished and ready for wear, is \$2.50 to \$3 for a three-piece suit, and the retailing price of which is from \$7 to \$10. After a few days' wear they are not remarkable for their shapeliness, but they are strong and durable, as a rule, except in the matters of seams and buttons. The notion that free woollens would enable the purchasers of goods of that class to buy all-wool garments, equally durable and more shapely, at the same price is entirely false. The cloth from which such garments are made sells at about 30 cents a yard, double width, at wholesale. It might be imported and laid down in New York for about 20 cents a yard, duty free, but that would only mean the destruction of a now extensive domestic industry without reducing by even one cent the retail price of the garments.

The figures show that the use of wool in American mills has increased 50 per cent in the last 10 years, that the use of cotton in woolen mills has decreased 50 per cent, and that the use of shoddy has decreased about 23 per cent. This is accounted for mainly by the fact that the use of worsted fabrics has increased enormously, while the use of woolen fabrics in which shoddy is used has actually decreased. The quantity of cotton yarn purchased by the mills shows an increase of 11 per cent, but the net result is a decided decrease in the amount of cotton used as a material by the woolen manufacturers. The value of the product of all woolen mills, as represented by the selling price of the goods at the mills, shows an increase from \$239,000,000 in 1899 to \$420,000,000 in 1909. The greater part of this increase appears in the record of the last five years, the product value for the intermediate year 1904 having been \$303,000,000. In the 1909 product value—\$420,000,000—the cost of materials used is reported as \$273,000,000, salaries and wages as \$79,000,000, and miscellaneous expenses as \$21,000,000; a total of \$373,000,000. The selling value of the product being \$420,000,000, there is left a margin of \$47,000,000, or a little over 12 per cent, out of which must come profits and all business expenses not chargeable to cost of production. Just where and how the manufacturers manage to squeeze out of the otherwise unused balance that 100 to 150 per cent profit about which some of our Democratic Congressmen delight to talk is not easily seen.

These are official figures, obtained by impartial investigators.

And it is a fact, largely due to Schedule K, that the American people are wearing less shoddy and more pure wool per capita than any nation in the world, whereas under the Wilson Act we used for a time more shoddy, rags, and other forms of wool adulterants per capita than ever before, and perhaps the equal of or in excess of other nations.

So that we may have it of record here in our files for ready reference, I desire to insert the following table, showing the imports of wool for the fiscal years ending June 30, 1909, 1910, and 1911:

Just a word about the shrinkage of these wools which we import. The shrinkage varies in scouring from 25 per cent in the low crossbreds to 50 per cent in fine crossbreds, and in merino wools from 48 per cent to 55 per cent. We import skirted wools in nearly every instance because they are of superior quality, cleaner, and shrink less.

A very good illustration of the difference between adequate and inadequate protection is shown by conditions in Canada both as to wool growing and manufacturing. In this country, with the tariff undisturbed, both growing and manufacturing progress and increase. But with the 30 per cent protection many of the Canadian woolen mills are closed and the balance are running without profit or satisfaction, while sheep growing is confined almost entirely to the raising of thoroughbred stock for breeding purposes, for which they have heretofore found a profitable market in the United States.

But aside from the growing and manufacturing of wool comes the subject of flesh food for our increasing population. Late statistics from the Department of Commerce and Labor give the startling information that the number of food animals in the United States has decreased by 5,000,000 since 1901, while the number of consumers has increased by about 12,000,000 in the same time, or between 1901 and 1910. The term "food animals" in this instance includes all cattle, sheep, and swine in the United States. This accounts for the increase in values which the late statistics and census reports show, and plainly points the outcome if, by ruinous tariff legislation, we cause the killing off of our sheep by the hundreds of thousands—by the millions, indeed—as occurred after the passage of the Wilson-Gorman bill.

Much is said by those who know little of the wool and woolen business—and the greater proportion of the people are of this class—about the great saving to the consumer that is to be brought about by the proposed reduction of the tariff on wool and woolens. How fallacious this idea is easily shown when we consider that the total amount of money received by the woolgrower for wool enough to make an all-wool suit of clothes is only \$1.25 to \$2, and the total amount received by a woolen manufacturer for the finished cloth required to make an all-wool suit is but from \$3 to \$6, notwithstanding the fact that this small sum of \$3 to \$6 covers all of the tariff complained of. After the farmer has received his \$1.25 to \$2, the major portion of which goes for labor, the balance that a consumer or wearer pays for a suit of clothes, be it \$10 or \$75, is expended very largely for labor, the balance being for cost of transportation, distribution, and so forth. In the \$3 to \$6 paid the manufacturer for cloth there has already entered a more than considerable factor of labor, and nearly all, from the price at the manufacturer's to the price on the back of the consumer, is for labor and costs which a change in the tariff on wool and woolens would not in any way minimize or affect, unless a severe reduction of wages and salaries should follow.

There will be no appreciable change in the price of clothing to the ultimate consumer by the passage of this or any reduction-of-tariff bill, and on this we can depend.

I beg my fellow Senators to think again and think seriously before they strike down the great industry of woolgrowing, in which a million farmers are interested, when it is a matter of exact truth that the total income to the farmer from the wool for a suit of clothes is a mere bagatelle, and even the amount paid to the manufacturer of cloth is not one that should be burdensome to the American consumer.

If great reductions are to be made in the price of American-made clothes, they can only be made at the expense of great reductions in the prices paid for labor all along the line, from the man who grows the wool to the final delivery of the made-up product to the consumer.

Mr. BORAH. Mr. President, if I should discuss the wool tariff, I should have to do so from a theoretical standpoint and without very much experience. Therefore, I do not propose to trespass upon the time of the Senate in that discussion, but I desire to insert in the Record, by permission, an address by one who has devoted years of his life to sheep raising, a man of extraordinary energy and exceptional ability, an address by ex-Gov. Gooding, of our State, upon this particular question. I ask leave to have the address printed in the Record as a part of my remarks.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The matter referred to is as follows:

ADDRESS TO ARIZONA WOOLGROWERS BY PRESIDENT F. R. GOODING.

I am glad to be in Flagstaff to-day to meet in convention with the woolgrowers of Arizona and discuss with you the conditions that confront our industry.

Again the sheep industry of America has become the football of the Democratic Party as a political issue, and unless the sheep men of the country wake up to the true situation there is grave danger of the destruction of our industry.

The Democratic Party has already passed two bills through the House of Representatives, one placing meats on the free list and another placing an ad valorem duty of 20 per cent on the value of wool that is imported into this country. When we come to realize that the ad valorem duty will be placed upon the foreign valuation of wool, we must understand that the bill just passed by the Democratic House gives but very little protection to the woolgrowers of this country. A careful estimate based upon the average price of wool in foreign countries for the past 10 years shows that this proposed law will give us a protection of from 2 to 3½ cents per pound on first and second class wool and from 1 cent to 1½ cents per pound protection on third-class wools.

A dangerous situation confronts our industry, for if either of these bills just passed by the Democratic Party through the House of Representatives becomes a law it means the passing of the great sheep industry from America for a number of years. There is but one thing left for the woolgrowers in the United States, and that is to organize and fight these measures to the last ditch.

Since President Taft's attack on Schedule K in his Winona speech, no question has attracted more attention than the revision of this schedule of our tariff law. President Taft believes that Schedule K should be revised, and I agree with him in this. But the questions that are of vital importance to the woolgrowers of this country are: Shall Schedule K be revised by the party which believes in the protection of the American industries? or, Shall it be revised by the party that believes in "free trade" or a "tariff for revenue only"? which we know from past experience means the destruction of our industry.

When President Taft decided that Schedule K ought to be revised, he asked Congress for an appropriation sufficient to make a thorough investigation of the whole matter of the cost of producing wool and cloth in this country and abroad. He selected some of the strongest men of the Nation, naming a nonpartisan board by selecting three Republicans and two Democrats, to make this investigation, and has asked them to report by the 1st of next December.

Let us hope that this is the beginning of a new policy for this Government—that of settling the great questions that affect our business interests through a commission whose duty it shall be to make thorough and impartial investigations, and report the facts to Congress, so that the men who pass our laws may have a better knowledge of the laws they pass and their effect on the business interests of the country.

In my opinion, President Taft's recommendation for a permanent Tariff Commission is the wisest step taken in the interest of our commercial world that America has ever known, for it means the settlement of the business affairs of this country in the broad light of common sense and sound judgment. The settlement of the business interests of this country in this manner should give confidence and stability to our commercial world and bring about a permanent prosperity such as we have never known before. It is time that the American people were saying that no political party shall make a football of the business interests of this country any longer.

But to-day we find the Democratic Party so anxious to play their political game in the revision of Schedule K that they are not willing to wait until the Tariff Board makes its report, although these same gentlemen gave their hearty support to the bill creating a permanent Tariff Commission when that measure was before the House in the last session of Congress. But a national campaign is coming on, and it becomes necessary for the Democratic Party to have an issue, and it must be evident to all those who have watched the movements of the Democrats in the past few months that they are to revive their old issue of "free trade" or "tariff for revenue only."

Let no woolgrower in the United States think for a minute that because the Democrats have placed a duty of 20 per cent ad valorem on foreign wool that it has been done for the protection of the wool industry of the United States.

Let me read to you what Mr. UNDERWOOD, chairman of the Committee on Ways and Means in the House of Representatives, says about this bill. I read from page 26 of the report of this committee:

"It is maintained by a very large number of our best economists and statesmen that the economical situation involved in our rapid progress as a Nation requires that our ports be thrown open to the importation of wool free of duty; and this view, based on the most profound consideration of the public welfare, has found expression in Democratic legislation. It is the constant intent of the Democratic Party to make the burden of the tariff taxes as light as possible for the people and to levy taxes upon a revenue basis as promptly as possible, for the party recognizes no justification whatever for tariff taxes except the necessity of revenue." Mr. UNDERWOOD goes on to say:

"The bill (H. R. 11019) is not to be construed as an abandonment of any Democratic policy, but in view of the Democratic platform for a gradual reduction of the tariff, and of the depleted and depleting condition of the Public Treasury, a result of Republican extravagance, a tariff of 20 per cent ad valorem on raw wool is now proposed as a revenue necessity."

Mr. UNDERWOOD seems to be especially anxious that there should be no misunderstanding in this matter, that there is to be no abandonment of Democratic principles. He has served notice on the woolgrowers of the country that the next step is to be free wool.

Mr. UNDERWOOD goes on to say—again I read from page 26 of the report of the Ways and Means Committee:

"The principal part of our woolgrowing is now in the far western or mountain States, which in 1910 produced about 50 per cent of the domestic clip. For a number of years the raising of sheep for wool has been a comparatively small incident of agriculture in the older and Eastern States. It is evident that the development of agriculture in the West is bringing into more profitable use a great deal of land heretofore used for pasturage, and with the steady increase in our population pasturage must give way more and more to agriculture throughout the continental United States. The raising of large numbers of sheep requires great ranges of suitable grazing land with suitable water and soil conditions. It is therefore evident that in the future, with our rapidly increasing population, if our people are to continue to use wool for clothing to a great extent, a large percentage of the domestic consumption must be imported, as has been the case heretofore. This will not mean less demand for our domestic wools, but a greater and better demand for all the domestic wool that can be raised, if unwise restriction discouraging the use of wool can be avoided."

Mr. UNDERWOOD seems to understand only too well the effect of this bill, for he says that a larger percentage of our domestic consumption of wool must be imported. He goes on to say that it will not mean a less demand for our domestic wools, but a greater and better demand

for all the domestic wools that can be raised, if unwise restrictions discouraging the use of wools can be avoided.

I especially want to call your attention to this part of the committee's report. Mr. UNDERWOOD could not have said anything plainer to the American people if he had tried, that after the sheep industry of this country has been destroyed there will be a greater and better demand for all the domestic wools that are left. A greater and better demand any school boy knows means a higher price for the wools that will be raised after the industry has been practically destroyed. Higher wools must mean higher clothing. So at the best Mr. UNDERWOOD only offers temporary relief in the high price of clothing by removing the duty on wool. So the great sheep industry of America is to be destroyed to give the Democratic Party an issue. Mr. UNDERWOOD seems to be under the impression that sheep can not be grown in America, and that sheep growing in the West, he says, "must soon give way to agriculture."

Those of us who are familiar with the range conditions of the West know that with proper encouragement the sheep industry can be increased in practically all of the Western States. Speaking of my own State—I know this to be absolutely true. The great ranges that are used in my State for the grazing of sheep and cattle can not be used for any other purpose. It is too rough and rugged for agriculture. What is true in Idaho is true in most range States of the Union. I say, without fear of successful contradiction, that in most of the range States, with proper encouragement, the sheep industry can be increased, not only on the range but on the farms.

At one time the sheep business was a profitable industry in the East, before the Democratic Party destroyed it with their free-trade policies. It can be made profitable again in every State in the Union if proper protection is given to the industry, and it is a national disaster to drive the sheep from the farm. The Democratic Party is not only proposing to drive the sheep off the farms, but they have threatened the destruction of the great cattle industry by putting meats on the free list. Take the sheep and cattle off the farms in America, or reduce them in any considerable number, and you strike a blow at this Government that will prove to be a national disaster. One of the serious questions that confronts the American people to-day is that of soil exhaustion that is taking place in nearly every State in the Union. The one great struggle of the farmer to-day is to keep up the productivity of the farm, and it can only be done with any success where live stock is used. You can not continue to take away from the soil and not put anything back. We must have more live stock upon the farms of America, even if it does cost more to grow beef and mutton than it does in foreign countries.

The Democratic Party is made up of great statesmen; but, of course, as a party they must have an issue, and the sheep industry of this country seems to be unfortunate enough to be their political football.

Let me call your attention to some more double-dealing of the Democratic Party, and I read from the CONGRESSIONAL RECORD of the Sixty-second Congress, first session, volume 47, No. 50, page 1866:

Mr. LONGWORTH of Ohio, asks Mr. RANDALL, a Democratic Congressman from Texas and a member of the Ways and Means Committee, this question: "I am asking a member of the majority of the Ways and Means Committee to state how much it is hoped or expected the price of raw wool will be depreciated."

Mr. RANDALL of Texas replies: "I would like to say to the gentleman from Ohio that it is impossible for the committee to know exactly what the changes in the price of wool may be; but, as one of the committee, I know the calculation of at least a large majority of the members of the committee is that the price of wool will be enhanced by this bill. This bill is in favor of the woolen industry by being in favor of the people, and there will be a largely increased demand for wool."

It is going to increase the demand for wool, that is what Mr. UNDERWOOD says also. So in one breath we find the leaders of the Democratic Party telling the woolgrowers of this country that they are going to give them a better demand and a higher price for their wool, and in the next breath they tell the American people they are reducing the tariff on wool to give them cheaper clothing. These great statesmen of the Democratic Party are hard to understand. I think I understand Mr. UNDERWOOD, and I fully agree with him that after the great sheep industry of this country has been destroyed there will be, as he says, a greater and better demand for all of the domestic wools we have left. But if I know anything about cause and effect or supply and demand, this means a higher price for wool, and in return must mean a higher price for clothing.

Now, let me tell you why I am for a revision of Schedule K. Schedule K has practised deception on the woolgrowers for a number of years, for it has not given them the just measure of protection that the framers of it intended they should have. Schedule K has always promised the woolgrowers 11 cents per pound protection in the grease, twice that amount on washed wool, and three times that on scoured wool, but under the manipulation of the importers but little more than half of this duty is now paid on imported wools. When Schedule K was first enacted, in 1867, under what is known as the Morrill bill, it might be said that it was a fair measure, for wools all over the world were very much of the same character at that time.

Certain importers and manufacturers contend that the law never intended to give our woolgrowers an actual protection of 11 cents per pound against foreign wools, but this contention is unsupported by the facts. When Schedule K was first enacted foreign wools shrank on an average of 66½ per cent, the same as our wool, and the entire law was constructed upon that fact. It does not require any complex process of reasoning to arrive at this conclusion, for the law says that on Class I wools imported in the grease the duty shall be 11 cents per pound; if imported washed, and washing removes one-half of the dirt, the duty shall be 22 cents; and if imported scoured, and scouring removes all the dirt, the duty shall be 33 cents per pound, thereby proving that the 11 cents duty on the grease pound was based on the assumption that wool shrank 66½ per cent. Should this not be evidence enough of the intent of the law. If we examine further, we find that in determining the compensatory duty that the manufacturer should have on imported cloth to compensate him for what the duty on wool had increased the cost of wool to him, we find that the law says the compensatory duty shall be four times the duty assessed upon a pound of wool in the grease, or 44 cents. Now, when wool shrinks 66½ per cent, it takes approximately 4 pounds of it to make 1 pound of cloth. Therefore the manufacturer was given his compensatory on this wool shrinking 66½ per cent. If the law did not presume that Class I wools in scouring shrank 66½ per cent, then it was dishonest to say that the duty on a pound of scoured wool of that class should be 33 cents and the compensatory on a pound of cloth should be 44 cents.

I think the confusion that comes to so many people in a discussion of Schedule K is from the fact that they do not understand what is

known as the shrinkage of wools. So I am going to try and make myself plain in this matter. The shrinkage of wools, of course, depends entirely upon the foreign substance that is found in the wool as it comes from the sheep's back; the grease, the dirt, or any other foreign matter that is in the wool must be washed away before it can be manufactured into cloth. We call this scouring. This process of cleaning wool is almost as simple as the old-fashioned washtub. Now, I am sure that we can understand that the only thing of value to the manufacturer in a pound of wool as it comes from a sheep's back is the clean wool or scoured wool it contains. That is the only thing the manufacturer buys, if you please, when he buys wool in the grease. Years of experience have taught him to guess the shrinkage very closely. He always risks his judgment and buys wools in this way from the flockmaster.

Now, let me show you how the importer beats Schedule K. We will buy two lots of 100 pounds each of Class I wool, in the grease, on the London market. We will import the first 100 pounds into this country, and we must pay 11 cents per pound duty, or \$11 duty for the 100 pounds of wool. We find that it shrinks 66½ per cent. In other words, we find that we have washed away out of this 100 pounds of Class I wool 66½ pounds and that we have 33½ pounds of scoured wool remaining, just what Schedule K presumes that it will do. Two pounds of dirt and 1 pound of wool. Now, we will import the other 100 pounds of Class I wool that is bought on the London market, and that, too, costs 11 cents per pound duty, or \$11 duty for the 100 pounds we import. Now, here is where the importer beats Schedule K. We scour this 100 pounds of Class I wool and find we have only washed away 38 pounds, and we have 62 pounds of clean wool left, ready to be made into cloth. So we find that instead of importing 66½ pounds of dirt in the 100 pounds of wool in the grease we have only imported 38 pounds of dirt, and instead of only having 33½ pounds of clean wool, as we had in our first 100 pounds, we have 62 pounds of clean wool. We find that we have brought into this country 62 pounds of scoured wool for the same price that the law provides that we shall pay for 33½ pounds of scoured wool. Or, in other words, the importer, by buying light-shrinking wools on the London markets, has imported 28½ pounds free of duty. Instead of the importer paying 33 cents duty on a pound of scoured wool of the first class, you will find that he is only paying a duty of 17½ cents on a pound of scoured wool of that class. So instead of getting 11 cents per pound protection in the grease, as Schedule K says we are, on first-class wools, we are only getting 5½ cents per pound on these wools.

A thorough and exhaustive investigation has been made by the officers of the National Wool Growers' Association into the shrinkage of wools imported into this country. After searching the wool lofts of Boston and getting samples of wools and having them scoured, we find that the average shrinkage of the first-class wools imported into this country for 1910 was approximately 38 per cent. So the second 100 pounds of wool that I described to you as having been bought in London and imported in 1910 is a representation of the average importation of Class I wools to-day.

In looking at the provisions of Schedule K covering second-class wools, we find it permits greater deception than in the importation of first-class wools. Here, through a skillful manipulation of words, second-class wools are permitted to be imported into this country either washed or unwashed at a duty of 12 cents per pound. To some this has been known as the "nigger in the woodpile," or the "joker" of Schedule K. Here, again, a careful selection of second-class wools imported into this country in 1910, after having them scoured, shows that the average shrinkage of these wools is only 20 per cent. Or, in other words, the importer brings these wools in on a scoured basis for 15 cents per pound instead of 36 cents per pound, or at a duty of 5 cents per pound in the grease, as against 12 cents, as the law provides. So we find that the man growing second-class wools in America is receiving less protection than the man growing first-class wools. I am sure that we will all agree that when Schedule K is revised it should treat all woolgrowers alike.

Let me describe to you some of the methods that have been employed to beat Schedule K. The whole woolgrowing world has been pitted against Schedule K in its efforts to see how light the shrinkage of wools could be made. So persistent has been this effort that a phrase has grown up in woolgrowing countries of the world "suitable for American trade," meaning that it was an especially light clip, free from dirt, grease, and other foreign matter, and was "fit for America." Not that the wools were any better when this foreign substance was removed, but from the fact of the light shrinkage of these wools more scoured wool could be imported for the 11 or 12 cents in duty. To-day all first-class wools imported into this country are skirted and willowed. "Willowing" means throwing the fleece on a screened table; the wool is shaken so as to throw out all the dirt that is possible to remove in this way. "Skirting" means the taking off of the belly, the short wool around the legs, the dirty wool around the tail, the neck, and the head, leaving nothing but the cleanest part of the fleece to be shipped to America. Only the lightest fleeces out of the same flock of sheep are set aside for the American trade. The importers of wool into this country, of course, have encouraged the growers in foreign countries to handle their wool in this way, and some of the flockmasters in Australia have gone so far as to advertise their rams as "sires fit to produce wool for the American trade." So it is not strange when the whole woolgrowing world has been pitted against Schedule K that it has succeeded in beating the game and has destroyed at least half of the protection that Schedule K has always promised the woolgrowers of this country. The importers have not only destroyed the protection that the flockmasters of this country are entitled to, but this Government, through this method, has lost millions of dollars in duty. So we can understand why wool in this country for a number of years has been selling below the cost of production. Had Schedule K told the truth and given the importers of this country no opportunity to beat the law, and had it given the woolgrowers the full measure of protection that it promised them, and if our industry had not been so unfortunate as to have been the political football of the Democratic Party, the sheep industry of America would have been in a prosperous condition in years past, and we would now be growing ample wool to furnish the domestic demand.

When Schedule K is revised the woolgrowers will insist on a law that places the importation of wool into this country on a scoured basis. The men who want to beat Schedule K will say that this is impracticable; yet it is a well-known fact that every pound of wool purchased by the importers of this country is bought on that basis. Practically all the wools purchased in South America to-day come in on a guarantee that they will shrink a certain per cent. All the wool sold on the London market is sold on a scoured basis. Almost without exception samples are taken of the different lots of wools, and the buyer is assured of their shrinkage. A spirit of fairness to the woolgrowers of

this country and to the Government demands that we shall all know what the actual protection on wool is in the new law.

I do not believe that the American people want to see the great sheep industry of this country destroyed, nor do I believe they want to abandon the great principles of protection to American industries and American labor. And I am satisfied when Schedule K is revised they will be willing to give this industry ample protection to make it a successful and prosperous business.

Believing in the great principles of protection, and knowing from past experience that free wool means destruction to our industry, I am here to appeal to the woolgrowers of Arizona to organize and help save the great sheep industry; and, as president of the National Woolgrowers' Association, I shall call upon the woolgrowers of every State in the Union to do their duty in the great crisis that confronts us. It is our duty as woolgrowers to show the American people that the sheep industry is not responsible for the high cost of clothing, and it is our duty as woolgrowers to show the American people that the sheep industry can not exist in America without protection. This is not a theory, for we had a practical demonstration of free wool under the Wilson bill. The struggle of those four years is still fresh in the memories of the American flockmaster, when more than 10,000,000 head of sheep were driven to the slaughterhouses, and many of them did not pay the expense of transportation. We saw some of the best flocks in the world, upon which a lifetime had been spent in building up to a high standard of perfection of both wool and mutton, turned over to the butcher's knife and passed out of existence forever. To save the industry from total annihilation wages had to be reduced from 20 to 40 per cent, and we were forced to practice the most rigid economy in the cost of living. Only the plainest food was within our reach when we were forced to compete with the cheap wools of foreign countries. The average price of wool in my State (Idaho) was 63 cents per pound.

You would expect the Democratic Party would be satisfied with ruining a great industry once in a generation, but in such a hurry are they to revise Schedule K that for the first time in the history of the country the woolgrowers were not given a hearing when legislation affecting their industry was under consideration.

Let us hope in this great struggle to save the industry there are men in the Democratic Party, in the Senate of the United States, who will be big enough, strong enough, and with courage enough to say to their party in no uncertain tones, "The great sheep industry of this country is a blessing to the American people and shall not be destroyed if our votes will prevent it."

If Mr. UNDERWOOD and the Democratic Party had taken the time to make a thorough investigation of the sheep industry in this country, they would have found that it costs 4 cents a pound more to produce wool in the West than it did a few years ago. A good portion of this is paid to the Government for grazing fees on the forest reserves. The balance is paid out in the increased price of labor, the increased cost of living, increased freight rates, and an increased price of everything that enters into the cost of producing a pound of wool.

Here are a few items of expense, if you please, that the American flockmaster must meet before his wool reaches the manufacturer:

In the West, figuring wool on a scoured basis, it costs the woolgrower 3 cents a pound for the privilege of grazing his sheep on the forest reserves for three and one-half months, or at the rate of more than 10 cents a pound, if you please, on the scoured basis, for grazing privileges the year round. We are paying the railroads of this country 6½ cents a pound freight on wool to the eastern markets, figured on the scoured basis. And we must pay the commission merchant in Boston 3½ cents per pound for handling and selling the wool to the manufacturers. These are fixed charges that are not within the power of the woolgrower to change.

We pay labor 20 per cent more than is paid in Australia and 300 per cent more than is paid in Mexico and South America. It is a well-known fact that it costs more to feed the shepherd dog on the ranges of the West than it does to feed the peons who are used for herding in some of the foreign countries, and yet the "free traders" would ask an American citizen to compete with these conditions.

In the protest made by the National Woolgrowers' Association against the free-meat bill before the Senate Finance Committee, Mr. Hagenbarth, of Idaho, and Mr. Knollin, of New Mexico, made a detailed statement showing the cost of every item connected with the sheep industry in the States of Idaho and New Mexico. These two ranches are ideally located for the economical conduction of the sheep industry, and are managed as carefully as any ranches in the United States. Mr. Hagenbarth shows that upon his ranch the average cost of labor for running his sheep for five years was \$1.12 per head per year. He shows that the average annual cost for winter feed for each sheep during the same period had been 58 cents per head. He shows the average expense for grazing, taxes, interest, and general expense for five years to have been \$1.58 per head, or an average cost of maintaining one sheep each year, including 6 per cent interest on investment, had been \$3.28 per head. He shows that it has cost on an average during this period 21.3 cents to produce a pound of wool, and it has cost 5.7 cents to produce a pound of mutton.

Mr. Knollin shows that on his ranch in New Mexico it is costing in labor for each sheep an average of 89.8 cents per head, and the total cost of running one sheep one year is \$2.56 per head. He shows that it has cost on an average to produce one pound of wool 15.3 cents. These are figures that are sustained by vouchers and will be accepted by any court as truly setting forth the facts.

Now, let us look at the conditions that prevail in Australia and South America, the two greatest wool-producing countries in the world. Australia is recognized as one of the best sheep countries in the world. The surface of her land is covered with dense grasses and shrubs that furnish an abundance of year-long feed for sheep. The use of hay is unknown, and, in fact, it is not put up for sheep feed in that country.

The sheep industry of Australia is operated upon an entirely different basis from that obtaining in our own country. The lands, both in Australia and New Zealand, are leased to the sheep men in extremely large bodies for a period of from 5 to 20 years, at prices ranging from 12 cents per section (640 acres) to 10 cents per acre. It is said the average cost of grazing one sheep one year is 6 cents. It is estimated by all authorities that these lands will carry on an average of about one sheep to every acre and a half. This is for the year-long period. These leases range from 10,000 to 350,000 acres each, and are fenced with a wire fence against rabbits and other animals, and are again subdivided into paddocks, containing from 1,500 to 5,000 acres each. The sheep are turned into these paddocks with no one to care for them, except what is known as the fence rider, who goes through the various paddocks each day to see that everything is in proper shape. No herders are required, and at lambing time men on horseback ride through these paddocks and offer such assistance as may be necessary, it being estimated that one fence rider can look after as many as 5,000

sheep during the entire year, except at lambing time and when the sheep are rounded up for shearing, which is done on horseback, the same as cattle are gathered here. In order that you may know more clearly the carrying capacity of these Australian lands, I desire to give a brief description of some of their most important ranches:

In North Queensland, an important sheep district, an Australian correspondent says: "Regarding our sheep business on land from which the Crown draws a rental of from 2 to 4 cents per acre, it works out well, as for many seasons past holdings have been stocked up well, 1½ acres to one sheep for the whole district."

In New South Wales the Bundemar Ranch contains 40,000 acres, and runs from 30,000 to 40,000 sheep per year.

The Red Rock Ranch in New South Wales comprises 20,000 acres, and runs 20,000 merino sheep.

The Middlefield Ranch in New South Wales contains 10,000 acres, and runs 8,000 merino sheep.

In addition to the sheep on these ranches, quite a considerable number of cattle and horses are maintained. Thus it must be apparent to all that the carrying capacity of the New Zealand and Australian land is from four to six times greater than that of the western range land in the United States. It may be wondered at that these ranges are so productive, but this undoubtedly may be accounted for by the fact that the greater part of New Zealand and Australia has an average rainfall of from 18 to 24 inches per annum, and its climate permits grazing the year round.

In order that you may understand that hay is not relied upon as a feed for sheep, I quote some of the large land holdings in Australia and give the number of acres, as well as the number of acres cultivated on each ranch: Murtee Ranch, 343,600 acres, 167 acres cultivated; Marra Ranch, 252,900 acres, 10 acres cultivated; Avenue Ranch, 109,600 acres, 93 acres cultivated; Natillie Ranch, 322,300 acres, 29 acres cultivated.

The conditions of South America are superior to those obtaining in Australia, for we have innumerable Government publications which deal in detail with the great productiveness of the ranges of the Argentina. In that country alfalfa is sown upon the open range and produces a stand as great as that produced on the irrigated lands of this country. As much as 50,000 acres in a tract are seeded to alfalfa in South America and used solely for the grazing of sheep and cattle. You can imagine what the carrying capacity of such ranges would be.

Labor in South America commands an insignificant wage and consists largely of the native Indian and half-bred. These men receive in wages from \$12 to \$20 per month and board themselves. Sheep there are run largely in pastures, but in the more unpopulated parts herding still obtains.

There can be no doubt but that wool can be produced in Australia, New Zealand, and South America at less than one-half the cost in this country, due largely to the difference in the cost of labor and everything that goes toward the cost of producing a pound of wool. Take it on grazing privileges, the flockmaster of Australia is not paying more than 25 per cent of what the flockmaster who uses the forest reserves pays in America.

The question that the American people must settle is, "Shall the sheep industry be destroyed in this country because wool and mutton can be produced cheaper in foreign countries than in this?" Not only must the American people decide whether the sheep industry of this country shall be destroyed because wool and mutton can be grown cheaper in foreign countries, but they must decide whether the cattle industry shall be destroyed also. For if the free-meat bill becomes a law that has just been passed by the Democratic Party through the House of Representatives, the great cattle industry of this country must also become a thing of the past. For it is just as impossible to grow cattle in this country in competition with Australia and South America as it is to produce wool and mutton in competition with those countries. Free meats and free wool, together with reciprocity with Canada, leaves nothing on the protected list for the American farmer or the live-stock producer.

Let me say to the great manufacturing interests that this country could not endure half slave and half free, and if I judge the temper of the American people rightly, the farmers and live-stock breeders of this country will not submit long to a tariff on manufactured articles while all of their products are on the free list. If there is to be free, unrestricted competition with the world in the products of the soil of this country, then there must be free and unrestricted competition with the manufactured articles. If the labor on the farms and the labor of the live-stock industry is to be placed in competition with the peon labor of foreign countries, then the labor of the factories and mills must come in competition with the cheap labor of foreign countries. If the principle of protection is right, it is right all the way around. Nor is there any raw material produced on the farm. For the wool, the fat sheep, the fat steer, the wheat, oats, and the barley are the finished products of the farmer, as much as the output of the mills and the factories is the finished product of the manufacturer. All represent labor and all should be treated alike. If there is an honest difference in the cost of production of an article in this country, that honest difference should be given by a protective tariff, or else the industry that produces that article can not exist.

It seems to me that every American citizen should be proud of the fact that it does cost more to produce a pound of wool in this country than it does in foreign countries, for wool, like everything else that is produced, is a representation of labor; and who will deny that the high standard wages in this country is responsible for our splendid citizenship, and to reduce labor to the conditions in foreign countries would be a crime against this Government, and it must never be done.

We hear much about the high cost of clothing, and the sheep industry is charged with this responsibility. I deny most emphatically that the sheep industry or the protection placed on wool is responsible for the high cost of clothing, and I charge Mr. UNDERWOOD with knowing this to be true. If Mr. UNDERWOOD and the Democratic Party had made an investigation into the high cost of clothing they would know that the woolgrowers are not responsible for this high cost, and they know, too, that the high cost of clothing in this country can be charged to the corporate greed and an extravagant system of doing business in America.

Now let me show you what the American flockmaster gets for the raw material that is put into a suit of clothes:

The average price of wool in the grease, as it comes from the sheep's back, has been for the past two years 14½ cents per pound. The average shrinkage of American wool is 61 per cent; that is, after it is washed or scoured, as it is called, 61 per cent of wool is washed away in dirt, grease, and foreign substances that is found in the wool as it comes from the sheep's back.

Now, in making this wool into cloth another loss occurs, so that it takes 19 ounces of scoured wool to make 1 pound of cloth. The average weight of a yard of cloth, taking what is known as the lightweight for

summer and the heavyweight for winter, is 14 ounces, and it takes about 3½ yards of cloth to make the average suit of clothes, or 9 pounds of wool in the grease, and at the average price that this wool has been selling for the past two years at the railroad stations of this country—for 14½ cents—we find that the American flockmaster gets the magnificent sum of \$1.34 out of an all-wool suit of clothes.

Is there a man in America that this \$1.34 that the woolgrower receives for all the wool that goes into a suit of clothes so poor that he has been denied the privilege of wearing an all-wool suit of clothes? I think not. I do not believe that there is a man in America that this \$1.34 would be a burden to. One dollar and thirty-four cents, if you please, for all the wool in an all-wool suit of clothes, and don't forget that this is the best. This is cloth made out of what is known as first-class wools—the best wools in the world.

Now let us see what the manufacturer gets for his cloth. I find upon investigation that it is the custom for the great mills of this country to sell their cloth under contract to the great wholesale houses in our large cities at from \$1.10 a yard to \$1.75 a yard. So I find that the manufacturer receives about \$4.40 for the cloth in a suit of clothes. This represents all that the woolgrower receives for a year's labor of growing the wool; all the railroad gets for hauling the wool some thousands of miles; all the commission men get for handling and selling the wool; and all the manufacturer receives for making it into cloth. Four dollars and forty cents, if you please, for the cloth in a suit of clothes, "all wool and a yard wide," ready to be made into a suit.

Now let us follow this cloth to the wholesalers—men who produce nothing at all, who neither spin nor weave—and see what they get for selling the cloth to the merchants of the country. A careful investigation shows that they charge from 80 to 140 per cent for distributing the cloth to the merchants, or, in other words, the great wholesalers get more out of a yard of cloth than the flockmasters, the railroad, the commission man, and the manufacturer all put together. Follow this cloth to your tailor, and you will find he has paid from \$2 to \$4 a yard for it. Now, let him take your measurement for an all-wool suit, and you will find it will cost you from \$30 to \$65, depending largely upon the location and reputation of the tailor. Next step into the retail merchant's establishment and ask for a ready-made all-wool suit of clothes, and you must pay from \$20 to \$30. Will Mr. UNDERWOOD guarantee the American people, if he is allowed to destroy the sheep industry of this country, that they will have cheaper clothing? I have a suspicion that this \$1.34—all the woolgrower receives—would go to increase the profits of the wholesalers and retailers before it reaches the American consumer.

The flockmasters of this country pay \$60,000,000 a year for labor, the best paid labor for the growing of wool in all the world.

Mr. UNDERWOOD tells the people that one reason why they are levying a 20 per cent ad valorem duty on wool is because of the depleted condition of the Treasury; but upon investigation I find there is no truth in this, as the Treasury is not depleted, nor is there any danger of its being depleted under the present laws. The only time we have had a depleted Treasury in this country in time of peace was when the Democratic Party put wool on the free list and tried to operate this country under Democratic principles enacted into laws.

We hear much from the Democratic Party about the efficiency of labor in this country, and we are all proud of the fact that labor generally is more efficient here in this country than in any nation on earth. But the laborer is more efficient here because it is better paid, and this gives the laborer a chance for better homes, better food, and better clothing. The home is always better, and the citizenship of the country is better where the wolf is kept away from the door.

Let us not forget that this is the twentieth century, and the whole world is advancing with a rapidity that was never known before. America is taking the lead in this great advancement of efficiency, and the American laborer is largely responsible for this advancement. The shorter hours and better pay he has received has given him a chance for self-improvement and he has become the inventive genius of the world. Let us continue to see that he is better paid than any other laborer on earth, and not throw our ports open, which means placing them in competition with the world.

Let us not become foolish about the efficiency of labor and believe that this is enough to protect him against foreign labor. I am sure that all who have watched the wonderful development of Japan during the last decade must realize that the Japanese are becoming wonderfully efficient in anything they undertake; and then will the "free trader" tell me why the Englishman, the German, the Frenchman, or any other foreigner can not be made just as efficient in his own country as he is in this? We must not forget that during the 50 years that a protective policy has been the law of this country it has built up conditions that can not be ignored. To ignore them would be a crime. You can not bring about a readjustment of business in this country by a reduction of wages, nor an increase in the hours of labor, nor should it be done.

The Democratic Party seems to be under the impression that they have been elected to inaugurate the free-trade policies again; but if they will look at the vote of the country that has given them a temporary control of the House of Representatives they will find that their majority was brought about largely by the Republicans staying at home and not voting. Hundreds of thousands of people in this country have become alarmed at the corporate greed that threatened this form of government, and they are impatient toward any party that is in power that does not regulate this great evil at once.

I sometimes wonder if the American people have forgotten the conditions that existed under the Wilson bill, when for the first time in 30 years the free-trade policies of the Democratic Party were enacted into laws. There can be no better demonstration than that given by President Cleveland's two administrations as President of the United States what free-trade principles mean when enacted into laws. During Grover Cleveland's first administration the Republicans had control of the Senate, so that it was impossible for the Democratic Party to enact any of their free-trade principles into laws. During those four years Grover Cleveland paid off \$340,000,000 of the national indebtedness. But Grover Cleveland was elected a second time, and with him a Democratic House and a Democratic Senate, and here we find the free-trade principles enacted into laws, and oh, what a story of misery and suffering they tell. Hundreds of thousands of men were thrown out of employment and free soup houses had to be established in all the large cities to prevent death from starvation. Instead of paying off any of the national indebtedness he was compelled to sell \$200,000,000 worth of bonds in time of peace to pay the running expenses of this Government. One hundred and seventy-seven railroads, with mileage enough to reach twice around the earth, could not meet their obligations, and were forced into the hands of a receiver. In those four years of free trade and Democratic rule the country witnessed 60,000 commercial failures, with liabilities amounting to \$900,000,000. One hundred and seventy-five national banks closed their doors, and the balance of trade

turned ruinously against us. If capital alone had suffered during those four years it would have been bad enough, but those who suffered the most were the army of men thrown out of employment, many of them with families depending upon them for their daily bread.

Let us hope that the American people have not forgotten those years of depression, and that they will not try again those old policies of the Democratic Party that have always brought ruin and disaster when enacted into laws.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, communicated to the Senate the intelligence of the death of the Hon. GEORGE W. KIPP, late a Representative from the State of Pennsylvania, and transmitted resolutions of the House thereon.

RECESS.

Mr. PENROSE. Mr. President, in order to enable certain Senators to address the Senate on the pending bill, I move that the Senate take a recess until 10 o'clock to-morrow morning. Then the regular session will begin at 12 o'clock.

Mr. LA FOLLETTE. Mr. President, pending that, if the Senator will allow me—

Mr. PENROSE. Certainly.

Mr. LA FOLLETTE. I desire to say that at that time I should like to submit some observations upon the amendment which I shall offer as a substitute for the pending measure.

The PRESIDING OFFICER (Mr. HEYBURN in the chair). The question is on the motion of the Senator from Pennsylvania that the Senate take a recess until 10 o'clock to-morrow morning.

The motion was agreed to; and (at 6 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Thursday, July 27, 1911, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, July 26, 1911.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, Father of all souls, we thank Thee for that deep and abiding faith which through all the vicissitudes of life holds us close to Thee; for the star of hope which illumines our way and leads on to nobler life and endeavor; for that subtle, pure, mysterious something which we call "love," which binds us together into families and friendships which time nor space can sever. Once more the angel of death has visited the congressional family and taken from this House a Member who, though modest and unassuming, promised a career of great usefulness to his State and Nation. Comfort his colleagues and friends, and be very near to the bereaved family; inspire them to look forward to a happy reunion somewhere, sometime, where sorrow and death never come. And we will ascribe all praise to Thee, through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of Saturday, July 22, 1911, was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed without amendment bill of the following title:

H. R. 4412. An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes.

The message from the Senate also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 323. An act for the payment of certain claims for damages to and loss of private property;

S. 943. An act to improve navigation on Black Warrior River, in the State of Alabama;

S. 3024. An act to provide for the reconstruction, alteration, and repair of a bridge across the Weymouth Back River, in the State of Massachusetts; and

S. J. Res. 21. Joint resolution increasing the membership of the Joint Committee of Congress upon the Library.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3024. An act to provide for the reconstruction, alteration, and repair of a bridge across the Weymouth Back River, in the State of Massachusetts; to the Committee on Interstate and Foreign Commerce.

S. 943. An act to improve navigation on Black Warrior River, in the State of Alabama; to the Committee on Rivers and Harbors.

S. 323. An act for the payment of certain claims for damages to and loss of private property; to the Committee on Claims.

S. J. Res. 21. Joint resolution increasing the membership of the Joint Committee of Congress upon the Library; to the Committee on the Library.

WITHDRAWAL OF PAPERS—KILLIAN SIMON.

Mr. KONOP, by unanimous consent, obtained leave to withdraw from the files of the House, without leaving copies, papers in the case of Killian Simon, Sixty-first Congress, no adverse report having been made thereon.

TREATY OF 1832 WITH RUSSIA.

Mr. GOLDFOGLE. Mr. Speaker, I ask unanimous consent that I may have five minutes in which to address the House.

The SPEAKER. The gentleman from New York [Mr. GOLDFOGLE] asks unanimous consent to address the House for five minutes. Is there objection?

Mr. MANN. Mr. Speaker, I understand an announcement was to be made, and that the House was to adjourn soon. I think it is not desirable to have any other business transacted in the absence of a quorum.

Mr. GOLDFOGLE. May I say to the gentleman from Illinois that I merely rise to present to the House and to have printed in the RECORD a concurrent resolution of the Legislature of the State of New York?

Mr. MANN. The proper way to do that is to present it through the basket. The rules provide a method of doing that.

Mr. GOLDFOGLE. The concurrent resolution favors the abrogation of the treaty of 1832 between the United States and Russia, and I am sure the gentleman from Illinois can have no objection to printing that in the RECORD. I think the gentleman should accord that courtesy to the Legislature of the State of New York as well as to the people affected by the matter involved.

Mr. MANN. The Legislature of the State of New York is entitled to no more courtesy and no less than the legislature of any other State in the Union. The rules of the House provide a method of presenting such things.

Mr. GOLDFOGLE. The Massachusetts resolution was read the other day. I trust that the gentleman from Illinois will allow this resolution to be printed in the RECORD.

Mr. MANN. The gentleman from New York has the floor now. Why does he not use it?

Mr. GOLDFOGLE. Do I understand the gentleman from Illinois to withdraw his objection?

Mr. MANN. Oh, no; not at all. The question has not been submitted for objection yet.

Mr. GOLDFOGLE. Mr. Speaker—

The SPEAKER. Does the Chair understand the gentleman from Illinois is objecting?

Mr. MANN. I have not heard any request submitted by the Chair yet.

Mr. GOLDFOGLE. I made the request.

The SPEAKER. The Chair put the question to the House: "Is there objection?"

Mr. MANN. I beg the Chair's pardon. I did not hear the request submitted. I was mistaken. But I do not think it desirable to have any business transacted to-day.

The SPEAKER. The gentleman from Illinois objects.

Mr. RUCKER of Missouri. Mr. Speaker—

Mr. GOLDFOGLE. Mr. Speaker, I ask unanimous consent that the resolution which I now present be printed in the RECORD.

The SPEAKER. The gentleman from New York asks unanimous consent that the resolution which he sends to the Clerk's desk be printed in the RECORD.

Mr. MANN. Oh, I am not so easily caught as that. I object.

The SPEAKER. The gentleman from Illinois objects.

Mr. CANNON. The regular order, Mr. Speaker.

Mr. RUCKER of Missouri. Mr. Speaker, a parliamentary inquiry.

Mr. CANNON. I ask for the regular order.

The SPEAKER. The regular order is to lay before the House two reports from the Committee on Enrolled Bills.

ENROLLED BILLS SIGNED.

Mr. CRAVENS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 4412. An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes; and

H. R. 12312. An act to amend paragraph 500 of the act approved August 5, 1909, entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes."

Mr. CANNON. I do not raise the point of no quorum. It looks as though there was no quorum, but I do not raise the point.

The SPEAKER. The Chair did not understand what the gentleman from Illinois said.

Mr. CANNON. I made the remark that I doubted if there was a quorum present. If there is not a quorum present, and the point is made, of course no business can be transacted; but I do not care to make the point myself.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. CRAVENS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 12312. An act to amend paragraph 500 of the act approved August 5, 1909, entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes"; and

H. R. 4412. An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes.

PUBLICITY OF CAMPAIGN CONTRIBUTIONS.

Mr. RUCKER of Missouri. Mr. Speaker, I ask the Chair to lay before the House the bill (H. R. 2958) which has passed the Senate, known as the publicity bill.

Mr. MANN. Mr. Speaker, if the request is made, I shall make the point of no quorum.

Mr. RUCKER of Missouri. Mr. Speaker, I hope the gentleman will permit me to make a statement and will reserve his point.

Mr. MANN. I understood that an announcement was to be made to the House, and if it is to be made it would be better to have it made now.

Mr. RUCKER of Missouri. Mr. Speaker, I should like to make a statement, if I may.

Mr. MANN. The gentleman can make the statement tomorrow.

The SPEAKER. It can be done by unanimous consent.

Mr. RUCKER of Missouri. I ask unanimous consent for five minutes to make a statement.

The SPEAKER. The gentleman from Missouri [Mr. RUCKER] asks unanimous consent for five minutes to make a statement. Is there objection?

Mr. MANN. At this time I object.

The SPEAKER. The gentleman from Illinois objects.

Mr. RUCKER of Missouri. I object to the gentleman objecting.

DEATH OF REPRESENTATIVE KIPP.

Mr. ROTHERMEL. Mr. Speaker, at the request of his family, I desire to announce the death of Hon. GEORGE WASHINGTON KIPP, late a Member of this House and a Representative from the State of Pennsylvania, and I move the adoption of the following resolutions.

The SPEAKER. The Clerk will report the resolutions.

The Clerk read as follows:

House resolution 247.

Resolved, That the House has heard with regret and profound sorrow of the death of GEORGE WASHINGTON KIPP, Representative in this House from the fourteenth congressional district of Pennsylvania.

Resolved, That a committee of 15 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral, at Towanda, Pa.; and that the necessary expenses attending the execution of this order be paid out of the contingent fund of the House.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for properly carrying out the provisions of these resolutions.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolutions were agreed to, and the Speaker appointed as the committee on the part of the House Mr. ROTHERMEL, Mr. McHENRY, Mr. WILSON of Pennsylvania, Mr. PALMER, Mr. DIFENDERFER, Mr. GREGG of Pennsylvania, Mr. LEE of Pennsylvania, Mr. SHERWOOD, Mr. LAMB, Mr. UNDERHILL, Mr. McDERMOTT, Mr. OLMSTED, Mr. McCREARY, Mr. LANGHAM, and Mr. ANDREWS.

Mr. ROTHERMEL. Mr. Speaker, as a further mark of respect, I move that the House do now adjourn.

The resolution was agreed to; accordingly (at 12 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, Thursday, July 27, 1911, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HEFLIN, from the Committee on Industrial Arts and Expositions, to which was referred the concurrent resolution of the House (H. Con. Res. 11) requesting the President of the United States to invite foreign nations to participate in the celebration of the completion of the Florida East Coast Railway Co.'s line connecting the mainland of Florida with Key West, reported the same with amendments, accompanied by a report (No. 64), which said resolution and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 499) granting an increase of pension to Benjamin F. Ralls, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ADAMSON: A bill (H. R. 12808) to authorize common carriers engaged in interstate commerce to contract with newspapers for publication of schedules, etc., and issue receipts good for payment of transportation; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 12809) relating to the regulation and transactions of corporations engaging in interstate commerce; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 12810) regulating charges for transportation of parcels by express companies engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 12811) to provide for the physical valuation of railroad properties and to secure information concerning their stocks and bonds and boards of directors; to the Committee on Interstate and Foreign Commerce.

By Mr. UNDERWOOD: A bill (H. R. 12812) to reduce the duties on manufactures of cotton; to the Committee on Ways and Means.

By Mr. CURLEY: A bill (H. R. 12813) to refund duties collected on parts and accessories of lace-making and other machines imported prior to January 1, 1911; to the Committee on Ways and Means.

Also, a bill (H. R. 12814) regulating the compensation of watchmen, messengers, and laborers in the Post Office Department; to the Committee on Expenditures in the Post Office Department.

By Mr. TALBOTT of Maryland: A bill (H. R. 12815) requiring the Washington Spa Spring and Greta Railroad Co. and the Washington Railway & Electric Co. to give mutual transfers; to the Committee on the District of Columbia.

By Mr. WILLIS: A bill (H. R. 12816) to provide for pensions to widows and minor children of soldiers, sailors, and marines who served in the War with Spain; to the Committee on Pensions.

By Mr. HULL: A bill (H. R. 12817) for the erection of a public building at Dayton, Tenn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12818) to authorize the Secretary of War to continue and complete the locking and damming of the Cumberland River in Tennessee, above Nashville and to the Kentucky line, and in accordance with the plan heretofore authorized and adopted by river and harbor act of 1886, on or before July 1, 1916, and for other purposes; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 12819) appropriating the sum of \$60,000 for locking and damming and otherwise improving Richland River between Dayton, Tenn., and where it empties into the Tennessee River; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 12820) to establish a fish hatchery and biological station in the fourth congressional district of the State of Tennessee; to the Committee on the Merchant Marine and Fisheries.

By Mr. JOHNSON of Kentucky (by request of the Commissioners of the District of Columbia): A bill (H. R. 12821) to repeal the various acts of Congress relating to the conveyance of the title of the United States to square 1131 and certain other land to Sidney Bieber, and for other purposes; to the Committee on the District of Columbia.

Also (by request of the Commissioners of the District of Columbia), a bill (H. R. 12822) to provide a connecting high-

way between Massachusetts Avenue and R Street NW., along Lovers Lane; to the Committee on the District of Columbia.

By Mr. CAMPBELL: A bill (H. R. 12823) to prevent common carriers from leasing, subletting, or permitting other persons, firms, companies, or corporations to carry for hire, packages, parcels, or merchandise of any character; and requiring common carriers to furnish facilities and promulgate schedules of rates for carrying such parcels, packages, or merchandise on passenger, mail, or express trains, and providing for penalties; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Kentucky (by request of the Commissioners of the District of Columbia): A bill (H. R. 12824) to provide for the condemnation of land for highway and park purposes to preserve the Klinge Ford Valley; to the Committee on the District of Columbia.

By Mr. FRENCH: A bill (H. R. 12825) to provide for the building of good roads through the cooperation of the Federal Government, the States and Territories, and the counties thereof; to the Committee on Appropriations.

By Mr. STEPHENS of California: A bill (H. R. 12826) providing for the discovery, development, and protection of streams, springs, and water holes in the desert and arid public lands of the United States, for rendering the same more readily accessible, and for the establishment of and maintenance of signboards and monuments locating the same; to the Committee on Irrigation of Arid Lands.

By Mr. ANTHONY: A bill (H. R. 12827) providing for the discontinuance of the grade of post noncommissioned staff officer on the active list of the Army and creating the grade of warrant officer in lieu thereof; to the Committee on Military Affairs.

By Mr. SMITH of Texas: A bill (H. R. 12828) to provide for a public building at Sweetwater, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 12829) to provide for a public building at Stamford, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. MURDOCK: A bill (H. R. 12830) to establish a fish hatchery in Butler County, Kans.; to the Committee on the Merchant Marine and Fisheries.

By Mr. CANDLER: A bill (H. R. 12831) to repeal sections 3412 and 3413 of the Revised Statutes and parts of sections 19 and 20 of an act amending the customs and internal-revenue laws, approved February 8, 1875; to the Committee on Ways and Means.

Also, a bill (H. R. 12832) authorizing and requiring the Secretary of the Treasury to issue noninterest-bearing Treasury notes in certain contingencies; to the Committee on Ways and Means.

Also, a bill (H. R. 12833) to increase the compensation of rural letter carriers; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 12834) providing for a certain percentage of cancellation of stamps and making an allowance for rents, fuel, and lights, etc., to fourth-class postmasters; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 12835) to prevent corporations engaged in interstate or foreign commerce owning stock in another corporation engaged in interstate or foreign commerce; to forbid them having duplicate directories; and forbidding them, when a trust, the use of the mails; to the Committee on the Judiciary.

Also, a bill (H. R. 12836) to secure depositors in national banks against loss, etc.; to the Committee on Banking and Currency.

Also, a bill (H. R. 12837) to prohibit the receipt, delivery, or transmission of interstate or foreign messages, or other information to be used in connection with, and to prohibit interstate and foreign transactions of every character and description that in any wise depend upon margins as a part thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 12838) to extend the limits of Shiloh National Military Park; to the Committee on Military Affairs.

Also, a bill (H. R. 12839) to refund to lawful claimants the cotton tax collected for the years 1863, 1864, 1865, 1866, 1867, and 1868; to the Committee on War Claims.

Also, a bill (H. R. 12840) to grant to the several States all the public lands therein for common-school purposes when the same shall become less than 50,000 acres in such State; to the Committee on the Public Lands.

Also, a bill (H. R. 12841) to prohibit in the District of Columbia the intermarriage of whites with Negroes or Mongolians; to the Committee on the District of Columbia.

By Mr. CURLEY: A bill (H. R. 12842) to regulate the hours of labor of clerks and carriers in offices of the first and second

class in the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. SMITH of New York: A bill (H. R. 12843) to fix the compensation of rural letter carriers; to the Committee on the Post Office and Post Roads.

By Mr. ASHBROOK: Resolution (H. Res. 248) authorizing certain committees to employ one messenger and janitor to jointly serve such committees; to the Committee on Accounts.

By Mr. ROBERTS of Nevada: Resolution (H. Res. 249) providing for the appointment of a committee to be known as the Committee on Investigators; to the Committee on Rules.

By Mr. RODDENBERRY: Resolution (H. Res. 250) authorizing the dismissal of a certain number of the Capitol police force; to the Committee on Accounts.

Also, resolution (H. Res. 251) of confidence in and approval of the services of Dr. H. W. Wiley; to the Committee on Agriculture.

By Mr. CANDLER: Joint resolution (H. J. Res. 134) providing for the introduction of testimony in behalf of the defendant in all preliminary hearings of a criminal nature; to the Committee on the Judiciary.

By Mr. ESTOPINAL: Concurrent resolution (H. Con. Res. 13) requesting the President of the United States to have a fair proportion of our war vessels assigned to New Orleans as their home port, to station defense vessels in the New Orleans Harbor to protect the Passes of the Mississippi River, and for other purposes; to the Committee on Naval Affairs.

By Mr. LENROOT: Memorial from the Legislature of Wisconsin, memorializing Congress to enact a law imposing a suitable license or other fee upon crafts navigating the Great Lakes and contiguous waters; to the Committee on the Merchant Marine and Fisheries.

Also, memorial from the Legislature of Wisconsin, memorializing Congress in regard to the establishment of a parcels post; to the Committee on the Post Office and Post Roads.

Also, memorial from the Legislature of Wisconsin memorializing Congress to initiate or participate in a general world-wide movement for international peace; to the Committee on Foreign Affairs.

Also, memorial from the Legislature of Wisconsin relating to the ownership and operation of railroads, docks, and steamship lines necessary for the opening up of the Alaskan territory and the coastwise trade; to the Committee on the Territories.

Also, memorial from the Legislature of Wisconsin memorializing Congress to take such action as may be necessary to compel all interstate railroads to engage directly in the business of carrying and delivering express; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE of South Dakota: A bill (H. R. 12844) granting an increase of pension to Lester J. Dack; to the Committee on Invalid Pensions.

By Mr. CANDLER: A bill (H. R. 12845) granting an increase of pension to Jesse W. Dabbs; to the Committee on Pensions.

Also, a bill (H. R. 12846) granting a pension to Emma Boyle; to the Committee on Pensions.

Also, a bill (H. R. 12847) granting a pension to Samuel K. Stillman; to the Committee on Pensions.

Also, a bill (H. R. 12848) to carry into effect the findings of the Court of Claims in the matter of the claim of the estate of Thomas J. Price, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12849) to carry into effect the findings of the Court of Claims in the case of T. A. Norris, administrator of estate of N. M. Aldridge, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12850) to carry into effect the findings of the Court of Claims in the case of John Wood; to the Committee on War Claims.

Also, a bill (H. R. 12851) in aid of the common schools of Mississippi; to the Committee on the Public Lands.

Also, a bill (H. R. 12852) for the relief of heirs or estate of T. M. D. Coln, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12853) for the relief of the heirs of Louisa Elliott, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12854) for the relief of the heirs of Sarah R. Farmer, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12855) for the relief of the heirs of Jeremiah E. Cunningham, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12856) for the relief of the heirs of Richard E. Holt, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12857) for the relief of the heirs of Gladney, Gardner & Co.; to the Committee on War Claims.

Also, a bill (H. R. 12858) for the relief of the heirs of Nancy Whitfield, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12859) for the relief of heirs of Sylvia Cannon; to the Committee on War Claims.

Also, a bill (H. R. 12860) for the relief of the heirs of M. A. McNulty, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12861) for the relief of the heirs of George W. Gardner, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12862) for the relief of the heirs of Harriet F. and Robert McPeters; to the Committee on War Claims.

Also, a bill (H. R. 12863) for the relief of the heirs of Mary A. F. Peters, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12864) for the relief of estate of W. F. Young; to the Committee on War Claims.

Also, a bill (H. R. 12865) for the relief of estate of W. R. Smith; to the Committee on War Claims.

Also, a bill (H. R. 12866) for the relief of the estate of Richard Mann, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12867) for the relief of the estate of Mary H. Moore, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12868) for the relief of the estate of J. M. Cumby, heir of M. B. Cumby; to the Committee on War Claims.

Also, a bill (H. R. 12869) for the relief of the estate of Richmond Pace, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12870) for the relief of the estate of Andrew J. Kincaid; to the Committee on War Claims.

Also, a bill (H. R. 12871) for the relief of the estate of William Clement, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12872) for the relief of the estate of J. W. Hopkins, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12873) for the relief of the estate of Richard D. Fielder; to the Committee on War Claims.

Also, a bill (H. R. 12874) for the relief of the estate of W. R. Smith, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12875) for the relief of the estate of Milton Crawford, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12876) for the relief of the estate of J. K. Morrison, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12877) for the relief of the estate of Josiah White, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12878) for the relief of the estate of R. C. Bumpass, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12879) for the relief of the estate of John Linton, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12880) for the relief of Mrs. Jennie Gaston Henderson, sole and only heir of L. B. Gaston, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12881) for the relief of D. M. Whittaker and heirs of the estate of H. H. Whittaker, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12882) for relief of George Kimberley and Sam Kimberley, heirs of M. P. Kimberley, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12883) for the relief of Matilda H. Reed; to the Committee on War Claims.

Also, a bill (H. R. 12884) for the relief of Dr. O. R. Early; to the Committee on War Claims.

Also, a bill (H. R. 12885) for the relief of Isabella Rowsey; to the Committee on War Claims.

Also, a bill (H. R. 12886) for the relief of heirs of John Hamilton; to the Committee on War Claims.

Also, a bill (H. R. 12887) for the relief of Susan C. Robinson; to the Committee on War Claims.

Also, a bill (H. R. 12888) for the relief of Francis E. Whitfield and Lucy G. Whitfield; to the Committee on War Claims.

Also, a bill (H. R. 12889) for the relief of Lucretia Lambert; to the Committee on War Claims.

Also, a bill (H. R. 12890) for the relief of the trustees of the Baptist Church of Rienzi, Miss.; to the Committee on War Claims.

Also, a bill (H. R. 12891) for the relief of J. W. Walker; to the Committee on Claims.

Also, a bill (H. R. 12892) for the relief of David Ingram; to the Committee on War Claims.

Also, a bill (H. R. 12893) for the relief of Mrs. E. A. Hubbard; to the Committee on War Claims.

Also, a bill (H. R. 12894) for the relief of B. H. Davis, administrator of the estate of Enos Davis, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12895) for the relief of Mary Johnson; to the Committee on War Claims.

Also, a bill (H. R. 12896) for the relief of A. W. McClure; to the Committee on War Claims.

Also, a bill (H. R. 12897) for the relief of J. W. Causey; to the Committee on War Claims.

Also, a bill (H. R. 12898) for the relief of Sallie Sowell; to the Committee on War Claims.

Also, a bill (H. R. 12899) for the relief of J. R. Wilson; to the Committee on War Claims.

By Mr. CANNON: A bill (H. R. 12900) granting an increase of pension to Edward C. Blush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12901) granting an increase of pension to John M. Ambrose; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12902) granting an increase of pension to James Savage; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12903) granting an increase of pension to James M. Weatherford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12904) granting an increase of pension to John O'Brien; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12905) granting an increase of pension to John W. Dare; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12906) granting an increase of pension to Peter McDonald, alias Peter Murphy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12907) granting an increase of pension to John Berry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12908) granting an increase of pension to Joseph Welker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12909) granting an increase of pension to John J. Trimble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12910) granting an increase of pension to John A. Egan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12911) granting an increase of pension to Hudson Watkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12912) granting an increase of pension to Clifford R. Woodward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12913) granting an increase of pension to Frank Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12914) granting an increase of pension to Patrick McDonald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12915) granting an increase of pension to John Atkins; to the Committee on Invalid Pensions.

By Mr. CLINE: A bill (H. R. 12916) granting an increase of pension to Alexander Eakman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12917) granting an increase of pension to Samuel C. Hoover; to the Committee on Invalid Pensions.

By Mr. COOPER: A bill (H. R. 12918) granting a pension to Martha F. Parker; to the Committee on Invalid Pensions.

By Mr. CULLOP: A bill (H. R. 12919) granting an increase of pension to Joseph M. Kirby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12920) granting an increase of pension to L. P. Leonard; to the Committee on Invalid Pensions.

By Mr. CURLEY: A bill (H. R. 12921) granting a pension to Wilfred W. Phaneuf; to the Committee on Pensions.

Also, a bill (H. R. 12922) granting a pension to Margaret A. Gately; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12923) granting a pension to Annie G. Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12924) for the relief of Patrick Murphy; to the Committee on Claims.

Also, a bill (H. R. 12925) for the relief of Herman Hanauer; to the Committee on Claims.

By Mr. DODDS: A bill (H. R. 12926) granting an increase of pension to William W. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12927) granting an increase of pension to Mark Featherly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12928) granting an increase of pension to Alvaro Curtis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12929) granting an increase of pension to William R. Holloway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12930) for the relief of Harrison Berdan; to the Committee on War Claims.

By Mr. DAVIS of West Virginia: A bill (H. R. 12931) granting a pension to Abraham Myers; to the Committee on Pensions.

By Mr. HAMILTON of Michigan: A bill (H. R. 12932) granting an increase of pension to Carlton N. Willison; to the Committee on Invalid Pensions.

By Mr. HULL: A bill (H. R. 12933) granting a pension to William R. Chaffin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12934) granting a pension to Sallie C. Dowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12935) granting a pension to Henry T. Dawson; to the Committee on Pensions.

Also, a bill (H. R. 12936) granting an increase of pension to Giles Walden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12937) granting an increase of pension to Martha J. McDuffy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12938) granting an increase of pension to Dixon A. Jenkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12939) for the relief of J. K. P. Davis; to the Committee on Claims.

Also, a bill (H. R. 12940) for the relief of Martin L. Loftis; to the Committee on War Claims.

Also, a bill (H. R. 12941) for the relief of R. F. Pippin; to the Committee on War Claims.

Also, a bill (H. R. 12942) for the relief of heirs of Robert Wix, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12943) to remove the charge of desertion against Joseph P. Rollins; to the Committee on Military Affairs.

Also, a bill (H. R. 12944) to carry into effect the findings of the Court of Claims in the matter of the claim of Robert A. Dickson; to the Committee on War Claims.

Also, a bill (H. R. 12945) to carry into effect the findings of the Court of Claims in the matter of the claim of the estate of Elvina Cunningham, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12946) authorizing the Secretary of War to recognize Calvin L. Smith, deceased, as having been a member of Capt. Bryson's company, North Carolina Scouts and Guards, Civil War; to the Committee on Military Affairs.

Also, a bill (H. R. 12947) authorizing the Secretary of War to recognize Richard B. Herrin, deceased, as having been a member of Company C, First Regiment Tennessee Mounted Volunteer Infantry, Civil War; to the Committee on Military Affairs.

Also, a bill (H. R. 12948) authorizing the Secretary of War to recognize John A. Elmore, deceased, as having been a member of Company I, First Regiment Tennessee Mounted Volunteer Infantry, later Fifth Regiment Tennessee Volunteer Cavalry, Civil War; to the Committee on Military Affairs.

By Mr. LENROOT: A bill (H. R. 12949) granting a pension to Joseph Jiles; to the Committee on Pensions.

Also, a bill (H. R. 12950) granting a pension to Louisa Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12951) granting a pension to Mary E. Stannard; to the Committee on Pensions.

Also, a bill (H. R. 12952) granting an increase of pension to Jonas Kyes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12953) granting an increase of pension to William Bold; to the Committee on Invalid Pensions.

By Mr. LITTLEPAGE: A bill (H. R. 12954) for the relief of the legal representatives of John Symms, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12955) for the relief of the legal representatives of James Dunn, deceased; to the Committee on War Claims.

Also, a bill (H. R. 12956) for the relief of the legal representatives of John H. Hansbarger, deceased; to the Committee on War Claims.

By Mr. McHENRY: A bill (H. R. 12957) granting an increase of pension to John McAlarney; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 12958) granting an increase of pension to Benjamin W. Schenck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12959) granting an increase of pension to Pleasant H. Wilson; to the Committee on Invalid Pensions.

By Mr. MADDEN: A bill (H. R. 12960) granting a pension to Wardell Guthrie; to the Committee on Pensions.

By Mr. MAHER: A bill (H. R. 12961) granting a pension to Hugh Curley; to the Committee on Pensions.

By Mr. MORSE of Wisconsin: A bill (H. R. 12962) granting a pension to James Hotton; to the Committee on Invalid Pensions.

By Mr. MURDOCK: A bill (H. R. 12963) granting an increase of pension to William J. Forbes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12964) granting an increase of pension to Almond Partridge; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 12965) granting an increase of pension to Patrick F. Harrington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12966) granting an increase of pension to Mary E. Ball; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12967) granting a pension to Margaret T. Martin; to the Committee on Pensions.

By Mr. PALMER: A bill (H. R. 12968) granting an increase of pension to John S. Hufford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12969) granting an increase of pension to John S. Dorshimer; to the Committee on Invalid Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 12970) granting an increase of pension to Balser Hulihan; to the Committee on Invalid Pensions.

By Mr. PEPPER: A bill (H. R. 12971) granting a pension to J. A. McLoskey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12972) granting a pension to Rachel Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12973) granting an increase of pension to James W. Ellis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12974) granting an increase of pension to Michael Fitzpatrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12975) for the relief of the heirs of Jacob Thomas; to the Committee on Claims.

By Mr. POWERS: A bill (H. R. 12976) granting a pension to William Pace; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12977) granting a pension to R. M. Bass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12978) granting an increase of pension to Zachariah T. Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12979) granting an increase of pension to Benjamin H. Spurlock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12980) granting an increase of pension to George J. Hurt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12981) granting an increase of pension to Harvey Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12982) granting an increase of pension to James Sparks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12983) granting an increase of pension to John W. Forester; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12984) granting an increase of pension to Green Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12985) granting an increase of pension to William Cottengim; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12986) granting an increase of pension to Mrs. F. R. Blanton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12987) granting an increase of pension to R. M. Bass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12988) granting a pension to Martha J. Watson; to the Committee on Pensions.

Also, a bill (H. R. 12989) granting an increase of pension to Benjamin H. Spurlock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12990) granting an increase of pension to Martin Lovitt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12991) granting an increase of pension to William H. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12992) to remove the charge of desertion from the military record of William B. Estes; to the Committee on Military Affairs.

Also, a bill (H. R. 12993) to remove the charge of desertion from the military record of Charles V. Barber; to the Committee on Military Affairs.

Also, a bill (H. R. 12994) to remove the charge of desertion from the military record of James Brock; to the Committee on Military Affairs.

By Mr. RUCKER of Colorado: A bill (H. R. 12995) granting a pension to Frank Boren; to the Committee on Pensions.

By Mr. STONE: A bill (H. R. 12996) granting an increase of pension to William H. Weirick; to the Committee on Invalid Pensions.

By Mr. UTTER: A bill (H. R. 12997) granting an increase of pension to John S. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12998) granting an increase of pension to Sara M. Brown; to the Committee on Invalid Pensions.

By Mr. WEEKS: A bill (H. R. 12999) granting an increase of pension to Handel P. Fisher; to the Committee on Invalid Pensions.

By Mr. WILLIS: A bill (H. R. 13000) granting an increase of pension to Samuel A. Moore; to the Committee on Invalid Pensions.

By Mr. WOOD of New Jersey: A bill (H. R. 13001) correcting the military record of Adolphus Yuncker; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Resolution of German-American Alliance of Rhode Island, approving House resolution 166, providing for an investigation of the administration of the immigration office

at Ellis Island; to the Committee on Immigration and Naturalization.

By Mr. ASHBROOK: Papers to accompany House bill 12435, a bill for the special relief of William F. Crites; to the Committee on Invalid Pensions.

By Mr. BURKE of South Dakota: Resolutions by the Ben Franklin Club, Sioux Falls, S. Dak., approving House joint resolution 97; to the Committee on Appropriations.

By Mr. CALDER: Letter from the San Francisco Labor Council, supporting the resolution of Mr. FOSTER of Illinois, proposing a committee on public health and national quarantine; to the Committee on Rules.

Also, resolution of Kings County Republican general committee, favoring the Canadian reciprocity agreement; to the Committee on Ways and Means.

Also, memorial of Union Central Life Insurance Co., favoring House resolution 114; to the Committee on Rules.

By Mr. CANNON: Petition of Thomas Carmichael, of Vermillion, Ill., praying for the reduction of the duty on raw and refined sugar; to the Committee on Ways and Means.

By Mr. DAVIS of West Virginia: Petitions of Leslie Hawker & Co., H. J. Cross, and others, opposing a parcels post; to the Committee on the Post Office and Post Roads.

By Mr. HARTMAN: Resolutions of Pennsylvania Pharmaceutical Association, indorsing Dr. Wiley, and a resolution opposing the Sherley drug bill; to the Committee on Expenditures in the Department of Agriculture.

By Mr. LEWIS: Memorial of Baltimore Chamber of Commerce, urging an amendment to the corporation-tax law; to the Committee on Ways and Means.

Also, petition from the Three Forks Supply Co., of Chaffee, W. Va., asking for a reduction in the duty on sugar; to the Committee on Ways and Means.

By Mr. MURDOCK: Petition of citizens of Conway Springs, Kans., for a reduction in the duty on raw and refined sugars; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Petition of Frederick W. Andrews, of Providence, R. I., requesting the passage of the parcels-post bill; to the Committee on the Post Office and Post Roads.

Also, petition of Brownell & Feild Co., of Providence, R. I., against the present rate of 2 cents per ounce on first-class mail, because it constitutes an unreasonable tax for the benefit of other classes of mail matter and favoring a rate of 1 cent on first-class mail; to the Committee on the Post Office and Post Roads.

By Mr. PALMER: Resolutions of Pennsylvania Pharmaceutical Association, indorsing Dr. Wiley and a resolution opposing the Sherley drug bill; to the Committee on Expenditures in the Department of Agriculture.

By Mr. PLUMLEY: Petition of L. T. Landman and 4 other residents of South Londonderry, Vt., asking for a reduction in duty on raw and refined sugars; to the Committee on Ways and Means.

By Mr. SIMS: Petition of numerous business men of Paris, Tenn., against parcels post; to the Committee on the Post Office and Post Roads.

By Mr. TILSON: Resolutions of the Hartford Business Men's Association, in opposition to parcels post; to the Committee on the Post Office and Post Roads.

Also, resolutions of the National Association of Automobile Manufacturers (Inc.), urging upon Congress the imperative need for an amendment of the corporation tax; to the Committee on the Judiciary.

By Mr. UTTER: Resolutions of the Merchants' Association of Pawtucket, R. I., favoring a 30-foot channel for Providence River and Harbor; to the Committee on Rivers and Harbors.

Also, papers to accompany bill granting an increase of pension to Nancy Carolin, and papers to accompany House bill 12602, a bill granting an increase of pension to Jerry B. Foster; to the Committee on Invalid Pensions.

By Mr. WEBB: Petition of citizens of Morganton, N. C., asking for the establishment of a parcels-post system; to the Committee on the Post Office and Post Roads.

Also, petitions of citizens of Gaston County, N. C.; J. W. Wilson, B. F. Davis, I. I. Davis, and B. Bristol, of Morganton, N. C., asking for a reduction in the duty on raw and refined sugars; to the Committee on Ways and Means.

By Mr. WILSON of New York: Letter from Elmer H. Van Nause, president of Local No. 1132, Retail Clerks' International Protective Association, Brooklyn, N. Y., protesting against the removal of Dr. Wiley; to the Committee on Expenditures in the Department of Agriculture.

By Mr. WOOD of New Jersey: Papers to accompany House resolution correcting the military record of Adolphus Yuncker; to the Committee on Military Affairs.

SENATE.

[Continuation of legislative day of Wednesday, July 26, 1911.]

The Senate met, at the expiration of the recess, at 10 o'clock a. m., Thursday, July 27, 1911.

TARIFF DUTIES ON WOOL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11019) to reduce the duties on wool and manufactures of wool.

Mr. LA FOLLETTE obtained the floor.

Mr. DAVIS. Will the Senator from Wisconsin yield to me for a moment?

Mr. LA FOLLETTE. I trust the Senator will not make a call for a quorum. I would prefer to go on. I think Senators will come in, and if a call should be made it would compel us to suspend proceedings.

The VICE PRESIDENT. The Senator from Wisconsin will proceed.

Mr. LA FOLLETTE. I yield to the Senator from Utah [Mr. Smoot].

Mr. SMOOT. Mr. President, the Senator from Wisconsin has kindly yielded for a few minutes to me for the purpose of discussing the pending bill (H. R. 11019) to reduce the duty on wool and manufactures of wool. I did intend to go into this question in detail. I had hoped to have time enough to explain to Senators before the vote upon this bill was taken the working of Schedule K, beginning with the wool in the grease and following it until it was manufactured into clothing. But I am admonished by the Senator from Wisconsin that he would like to begin his speech at 10.30. Therefore, I shall have to content myself with discussing very briefly one or two points, leaving the question of a thorough consideration of Schedule K to some future time, more than likely after the Tariff Board has made its report.

I wish that the Senator from Montana [Mr. Dixon] were present, for, in a spirit of friendship and kindness, I wanted to call attention to some of the statements made by him yesterday, because I believe that he has been misinformed as to the price of wool in London and the price of wool in this country, or as to the grade and classification of the wools compared. On further examination I am positive the Senator would make the correction. If true, his statement proves beyond question that our woolgrowers in this country are in such a disorganized condition or so woefully lack business capacity that a tariff rate of any amount would not help them, for they sell their wool for the price offered them and do not take into consideration the world price, knowing that the manufacturer must import wools and pay the London price plus the duty, whatever it is.

Congress can not legislate a market for wool. That is impossible. It can legislate a duty upon wool in the grease of 11 cents per pound, a duty on washed wool of 22 cents, a duty on scoured wool of 33 cents a pound; but it can not pass a law directing the wool men of this country to sell their wool for 11 cents more in the grease than it is sold in foreign lands, grade, shrinkage, and classification being equal; nor can it say to the manufacturer "You must pay 11 cents per pound more for like wools." Eliminate from the present law the skirting clause and increase the rate on washed wools of the second class to twice that of wools of the second class in the grease and the average shrinkage of foreign wools imported into this country will be about the same as the American wools, grade for grade alike. I know for the last year the American woolgrower has not received much benefit from the tariff, but the reason for that is the fear of the American manufacturer, the only purchaser the woolgrower has, that the revision of Schedule K will place wool on the free list or nearly so. The manufacturer must look ahead at least one year, for it takes at least that length of time after purchasing the wool in the grease before he can convert the wool into finished goods and get returns from the sale of them. He is not like a merchant who can buy a sack of sugar to-day and it is sold to-morrow. One hundred per cent on wools with inadequate protection of the manufactured article would not benefit the woolgrower a penny, for with the American mills closed and woollen goods being furnished the American people by foreign manufacturers the woolgrower would have to look to the foreigner for a market for his wool.

Mr. President, the agitation which has been going on, through the newspapers and magazines of this country, I believe, moderately estimated, has cost the industries covered by Schedule K \$150,000,000. It caused the farmers who grow wool to sell the clip of 1910 at \$25,000,000 less than they received for the 1909 clip. Prices in the United States have fallen 30 per cent, while everywhere else in the world they have advanced 10 per

cent. The prices in the value of wool carried over from 1909 to this year, with the goods made therefrom, has caused another loss of \$25,000,000. There has been a shrinkage of \$2 per head in the value of 25,000,000 sheep, making another \$50,000,000.

But the most disastrous effect of this agitation has been felt by the laborers employed in the mills that manufacture wool. Lack of employment and loss of wages from this cause have been another \$50,000,000, and this is the most cruel blow of all. These losses to a great American industry are caused by the fear of radical legislation. What the losses would be in case the House Democratic wool bill became a law no man can tell, but all must admit that it would be appalling.

We do know that to-day not to exceed 33½ per cent of the woollen cards of this country are running. The business stands almost paralyzed under the wicked assaults made upon it. All sorts of misrepresentations and falsehoods by individuals and press have been directed at Schedule K. It has been made the basis of criticism of the last tariff act. What has Schedule K done for this country? It has stimulated the manufacture of ready-made clothing, so that a suit in this country, fashionably cut and well tailored, made of an all-wool worsted fabric, can be bought for less money than would have to be paid in Europe for a similar suit made there by a merchant tailor, admitting that his cloth in Europe is only one-half the price of similar cloth in America. So an English laborer coming here could purchase a suit of clothes for one week's pay which he could not get in England for two weeks' pay. A German laborer could purchase a suit of clothes for one week's pay here which he could not buy in Germany for three weeks' pay. An Italian laborer could buy here his suit for one week's pay, which he could not buy in Italy for five weeks' pay. A Chinese or a Japanese laborer could buy here a suit of clothes for one week's pay which he could not buy in China or Japan for 14½ weeks' pay.

So I say, Mr. President, that Schedule K has not been so bad after all, when considering the grade and the price of clothing to the American people.

I wish that every American citizen actually knew what the manufacturer received for the cloth in his suit of clothes. I wish that every American citizen knew that a blue or black worsted serge can be bought by the American clothing manufacturer, he who makes the cloth into clothes, for from \$2.90 to \$5 per suit. I believe if he understood it there would not be this hue and cry against the woollen manufacturer of this country.

I realize, Mr. President, that while my State is chiefly interested in the development of the sheep industry and the growth of wool, its people must have a home market for that wool, or, no matter what duty is levied upon it, they would get no benefit from it. Therefore I am interested not only in protecting the woolgrower, but I am interested also in protecting the woollen manufacturer, because he is the only purchaser of the product of the woolgrower in this country.

Mr. STONE. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Missouri?

Mr. SMOOT. Just for a question, because I have only a few minutes remaining.

The VICE PRESIDENT. The Senator from Utah declines to yield.

Mr. SMOOT. I do not decline to yield for a question.

The VICE PRESIDENT. The Chair misunderstood the Senator.

Mr. STONE. I have just come into the Chamber, and I failed to hear the previous remarks of the Senator. I wish to ask him whether he is defending in his speech the present duties in Schedule K of the Payne law or whether he is presenting reasons why they should be reduced according to his bill?

Mr. SMOOT. I have not the time to-day to discuss any particular bill; I have only a few minutes at my disposal. I am speaking on but one or two points affecting Schedule K.

The production of a woollen mill is sold to the trade six months ahead on samples made and submitted by it. These sample pieces are made by every mill twice a year, one lot called "lightweights" and the other known as "heavyweights." They are first made in blanket form, and the mill designer hardly knows whether the blanket will contain successful patterns or not. A blanket may contain a thousand different designs and but few found, after finishing, worthy of selection as popular sellers. The success of a mill greatly depends upon the designer, for if the samples made by him are not what the trade demands in color, styles, pattern, price, and finish the mill will be idle for want of orders, while if his designs are popular and the trade requirements met as to patterns, fabric, and price, the mill will be crowded with orders. No mill is always successful in this regard, nor always unsuccessful. Every cloth mill has a